Daily Report

Latin America

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Cuba

Raul Castro Welcomes Internationalists

FL3005145891 Havana Radio and Television Networks in Spanish 1430 GMT 27 May 91

[Speech delivered by Army General Raul Castro, minister of the Revolutionary Armed Forces, at a ceremony to mark the return of the last group of Cuban troops from Angola, held at El Cacahual Mausoleum in Havana—live]

[Text] Distinguished guests, internationalist combatants, comrades:

The last person, among the Cuban internationalist combatants who stayed in the People's Republic of Angola until 25 May, to depart on his return to the fatherland was the chief of the Cuban military mission in that fraternal country. The mission's unconquered banner of battle, now among us once more, symbolizes the culmination of the long and difficult path begun in 1975. More than one month ahead of the provisions set forth in the December 1988 agreements, our troop detachment and their weapons have left Angola.

For the Cuban nation, this is a time of tribute and reckoning: a tribute of admiration, gratitude, and respect for the 377,033 children of our nation who during almost 16 years provided the most decisive aid to Angola to defend its sovereignty and territorial integrity, and for the almost 50,000 who during this same time gave their support in solidarity in civilian tasks.

We honor above all the 2,077 comrades who did not survive to see this victory, because they nourished it with their blood. They will always figure among the most beloved children of this nation. We bow our heads before their eternal example. With infinite respect, we recall today the no less exemplary behavior of their mothers, fathers, children, wives, or relatives who encouraged them while they fought far from the land where they were born.

However, we have not been called together this morning only to exalt the feats of the Angolan and Cuban peoples, joined together by the generous blood spilled and the sweat of work. Angola is a historic landmark, a milestone, that will continue to inspire the African peoples' desire for national independence and social emancipation. It is an eternal flame that cannot be snuffed out however hard and bitter the setbacks may be in the future. Angola is a brilliant, clean, honorable, and transparent page in the history of solidarity between peoples, in the history of internationalism, in the history of Cubans' contribution to the cause of human freedom and improvement. Because of all this, Angola is also a milestone in Cuba's own history.

Our forefathers would have been proud of this internationalist undertaking. In this sanctuary of the fatherland lie the remains of General Antonio Maceo, the unyielding protagonist of Baragua. The unredeemed African blood flowed through his veins. More than once, Maceo offered his sword to the independence cause of Puerto Rico. The titans of our Mambi Army did not hesitate an instant to give the Dominican Maximo Gomez the top position he had earned. He was the maximum expression of Latin Americanism and solidarity with the emancipation cause of the Cuban people. Men of the most diverse latitudes in the 1868 and 1895 battlefields fought among the rank and files of the liberating army. They intermingled in the field with the white and black Creoles and were engaged in the same liberating epic.

Among hundreds of combatants of almost 20 countries, 17 reached the rank of general. They were: five Dominicans, three Spaniards, two Americans, two Colombians, one Chilean, one Jamaican, one Puerto Rican, one Polish, and one Venezuelan. At the time, they joined in the dedication, the moral greatness, and the unselfishness our internationalist tradition forged. The Puerto Rican, Pablo de la Torriente Brau, would honor this tradition with his exemplary performance. He became a man and a revolutionary in the Cuban struggle and later became a hero during the Spanish Civil War among the some thousand internationalist from Cuba who participated in that conflict.

In our days, the paradigm of that highest level of the human species—as he accurately summed up—was born in Argentina from where he began his journey riding the Rocinante [horse in Cervantes' "Don Quixote"] that brought him to Cuba, that took him to Africa and brought him back to America, our common fatherland, to become immortal. This was our Comrade Ernesto Che Guevara.

It was precisely Che who, fulfilling our party's mandate, established in 1965 the first contacts with the MPLA [Popular Movement for the Liberation of Angola] and with its leader, the enlightened founder of the Angolan nation, Comrade Agosthino Neto. This is why those who are not aware of the historic background of our presence in Angola, in good faith find the reasons in simplistic geopolitical explanations, in the results of the Cold War, or global conflicts between the East and West, are mistaken. Although we cannot deny that in the last century Marti already thought of Cuba's independence as a historic need and a contribution to restrain the neocolonial expansion he anticipated the United States would unleash over Latin America.

If the Cuban presence in Angola—a continuation of the nation's best traditions—was exceptional in any way, it was because of the massive participation of the people, which had never before reached such figures and which was set in motion by the willingness of an entire nation to participate in this epic event. Of even more momentous significance was the absolutely voluntary nature of this participation. This was not only a professional army, although we are very proud of our troops' performance

in battle and with technology, but rather an army of the masses, a revolutionary army of the people.

The more than 400,000 men and women who went to Angola during these years, and whose names will be extolled by our descendants, came from all the generations that are active today in the Cuban process, from rebel veterans to the youngest soldiers and reservists. All were moved by a single interest: to save and consolidate the fraternal Republic of Angola. As we noted at a very early date, we have brought nothing back but the satisfaction of having done our duty and the remains of our comrades who fell, with the exception of three whose remains we have not yet recovered.

One very profound motivation should not be forgotten. Cuba had already been living through its beautiful experience of solidarity from other nations, especially the USSR, which gave us a friendly hand at times that were crucial for the Cuban revolution's survival. The solidarity, support, and fraternal cooperation that the consistent practice of internationalism gave us at decisive times created a sincere feeling: an awareness of a debt to other nations who might find themselves in similar circumstances.

Comrade Fidel dedicated himself to drawing these lessons from historical experience and spreading this awareness, and he awoke in the nation's spirit the idea that as Latin-Africans, we Cubans also had a historic debt to Africa, one of the vital sources of our national identity. These are the authentic reasons for the people's response to the young Angolan Government's request for aid, in accordance with international law.

The independent destiny of Angola and its triumphant anticolonial revolution were threatened of being torn to pieces by enemies who attacked from the south, north, and east. Imperialism, neocolonialism, and the mortal danger of the expansion of apartheid's frontiers came together to suppress independence of a potentially wealthy state the instant in which it came about. Progressive and revolutionary men were decisively involved in the founding of this state.

In Cuba we named the internationalist operation Carlota in honor of an exceptional African woman who, while being a slave, headed two uprisings against the colonial oppression and, as they attempted to do in Angola in 1975, was torn apart by the tyrants who were able to arrest her in her second rebellious attempt. Without even knowing it yet, the thousands of Cubans who were part of the operation were going to extend the legend of Carlota, the Cuban-African heroine, through Cabinda, Quifangondo, Medunda, Cangamba, Sumbe, Ruacana, Calueque, and Cuito Cuanavale.

Our tankers, infantrymen, artillery men, engineering troops and sappers, pilots, special troops, scouts, communications troops, rearguard service troops, antiaircraft defense troops, convoy personnel, engineers, technicians, political and military counterintelligence workers, and combatants of other FAR [Revolutionary Armed Forces] and Interior Ministry specialty areas, joined by the timely and exemplary service of the Cubana Airlines and Merchant Marine staff, made the success of the operation possible. They used that unforgettable experience and gave the best they had. At the same time, they became better patriots, more determined revolutionaries, and more convinced militants. They were to accompany the Angolan people together with teachers, doctors, construction workers, and other civilian specialists of our country throughout the longest, cruelest, and most devastating conflict Africa has ever known. They would become remarkable witnesses of what no other black African country has had to struggle to preserve the territorial integrity and its existence as a state as Angola has.

The chiefs and officers have played a decisive role in this whole test. Numerous decisions fell on their shoulders. Above all, they were called on to be role models and they were indeed. This is illustrated by the fact that one out of four of those fallen in combat had the rank of officer.

The serious threat which emerged in 1975 was not warded off until March of 1976 after fierce fighting took place at the doorstep of the Angolan capital. After the invaders were defeated, they retreated in the north, east, and especially in the south, when the South Africans crossed the border to their Namibian colony. We then thought that an opportunity for peace had opened. Only days away from the 22 April 1976 victory were we able to reach an agreement with the Angolan Government; the first program from the gradual return of the troops. Thus, as the Cuban civilian cooperation began to arrive, the military contingent was reduced by over a third in less than a year. But only two years later, in 1978, the South African Army threatened once more the safety and territorial entity of Angola and, of course, of the lives of Cuban internationalists who were conducting operations inside Angolan territory, south of the Cuban positions, who were defending a line 250 km from the border with Namibia.

The heinous massacre of Namibian civilians—most of them women and children—in Casinga, where the South Africans killed over 600 refugees, was the most infamous chapter. In 1979, an apparent change of the situation brought about new agreements between Cuba and Angola for a timetable on the withdrawal of our troops. These were also hampered by another increase of South African attacks by way of terrorist actions against civilian Cuban workers.

Throughout all these years, our troops were sufficient to defend the assigned line and to prevent a movement deep into the Angolan territory but the correlation favored the enemy in the strip between Angola and Namibia. While this situation continued, Angola and Cuba did not stop in the attempt to find negotiated political solutions. This will was expressed in the joint statements of February 1982 and March 1984. At the same time that they rejected the conditioning of

Namibia's independence on the Cuban withdrawal proposed by the United States and South Africa, they offered reasonable alternatives which coincided with the ones which would be reached later in the New York agreements for peace in southwestern Africa.

Before this, it would be necessary to defeat the South Africans once again. Toward the end of 1987, thousands of South African soldiers clashed with a FAPLA [People's Armed Forces for the Liberation of Angola] group which conducted an important operation in the southeast, inside the Angolan territory. During the lopsided fighting, part of the Angolan group was in danger of being ambushed and wiped out in Cuito Cuanavale. Had the South African intentions materialized, the defeat would have caused a collapse of unpredictable consequences. The forces we had in Angola were not enough to face the situation. To reinforce Cuito Cuanavale with the forces in Angola could had threatened the general stability of the defense in the southern front. Therefore, a reinforcement from Cuba was essential. At the same time, we could not get involved in a decisive battle in Cuito because it was the area chosen by the enemy and it had all the advantages.

A solid defense had to be organized so that the enemy was inevitably weakened. The decisive actions had to be waged at a time and place chosen by us, that is, when we were stronger and could strike their most vulnerable points, specifically in the southwestern flank.

To achieve this, after making the usual consultations with the Angolan Government and a meticulous planning by the FAR's General Staff led by Commander in Chief Fidel Castro, on 15 November 1987 the historic decision was made to reinforce our troops in the People's Republic of Angola which, as it is known, amounted to 50,000 soldiers with the mission of, in cooperation with the Angolan troops, defeating the invading South African troops.

The time will come to explain how it was possible for a Third World country such as ours to carry out that logistic and moral feat in a matter of weeks. It is known that the South African command estimated that it would take us at least six months to transfer the personnel, weapons, and combat equipment equivalent to a division. It took longer than that for the South African strategist to realize that we had doubled the total number of our forces and multiplied it several times in the southern front where 12 years later, we dominated the airspace for the first time. Labor feats took place to achieve this such as the construction of the Cahama airport in 70 days. This placed vital enemy targets within our reach.

On this front we also displayed a force which counted with 998 tanks; over 600 armored vehicles; and 1,600 artillery, mortar, and antiaircraft defense units, among other equipment. From Cuba, in workdays of up to 20 hours and even more, Comrade Fidel, as he had done several times since 1975, personally led the work of the Minfar [Ministry of the Revolutionary Armed Forces] General Staff, giving us all the strong spirit of achieving victory with a minimum of casualties by combining audacity and heroism with the principle of not risking the life of a single man without having exhausted first all the alternatives. This spirit prevailed throughout these 16 years. It became an ethic and a style. It established a combat mastery in the chiefs and it was translated into a morale which, at the same time, fostered confidence and courage in the combatants.

Cuito resisted. In its aproaches, all the South African attempts to advance were halted. Its sophisticated long-range artillery which did not stop bombing night and day did not frighten the Angolan-Cuban forces and turned out to be ineffective. In the meantime, in the southwestern flank, a powerful group joined by SWAPO [South-West African People's Organization] units, seriously threatened places of strategic importance for the enemy. The clashes with scouting detachments in Donguene and Tchipa and the air strike against their positions in Calueque persuaded the South Africans that a military victory at the expense of the Angolan sovereignty and against the combined forces of Angola and Cuba was impossible.

This is how the possibility of a negotiated solution was opened. It included the fulfillment of UN Security Council Resolution No. 435 of 1978 for the decolonization and independence of Namibia which had been postponed time after time. The agreements reached in December 1988 signed in New York, unimaginable without the Carlota operation, placed the withdrawal of Cuban internationalist troops within the context of a total solution. Its key always was the complete and prior withdrawal of the South African invaders, first, from Angola and, later, from Namibia.

The timetable adopted as an annex to the Cuban-Angolan bilateral agreement for the orderly withdrawal of Cuban combatants by stages and with guarantees has been fulfilled today ahead of schedule. Cuba's word of not remaining there a single day more than necessary has been honored. This early withdrawal is a last gesture of the Governments of Angola and Cuba to contribute to a climate of confidence so that the negotiated solution of the internal conflict becomes irreversible. There has been no intention of humiliating the adversary or of denying what each of the parties should have contributed to reach the agreements which we have complied strictly and exemplarily. The peoples of Angola and Cuba have the right to reach the appropriate conclusions of their victory.

A categorical victory is being able to stop the initial assault and bury forever the myth of the invincibility of the South African Army and of the mercenaries. A categorical victory is being able to help our brothers to preserve Angola as an independent nation since 1975 for all these years and that today its safety, territorial integrity, and inviolability of its borders.

A historic victory is the independence of Namibia, last black African colony. It would continue being one and the UN Security Council's Resolution 435 of 1978 once more would have not been complied with. It would be buried in the UN files despite the heroic struggle of the SWAPO.

A victory that is projected toward the future is the achievement of a new regional correlation in southern Africa determined by the battles of Angolan and Namibia, by the advances of the antiapartheid movement and the political space that the ANC [African National Congress] and the black minority have gained through many sacrifices in their struggle for a solution and a non-racist state.

A victory is contributing to breaking the locks that kept Nelson Mandela and other patriots incarcerated for over a quarter of a century. These victories also belong to all the African peoples, to the governments which, defying not a few pressures, cooperated according to their possibilities to the liberation of Angola, to the Frontline States, to the OAU, the Nonaligned Movement, all the peoples of the Third World.

If these victories are not taken into account, it is impossible to understand the current political circumstances in Angola. If today the independent and sovereign government of the People's Republic of Angola has reached agreements in a process of negotiating the internal conflict, it is also because the integrity of the Angolan state was preserved in spite of the aggressive South African designs and invasions, and in spite of the crude interference by the United States. It is the legitimate government, a result of the anticolonial struggle which began on 4 February 1961, which continues to lead the country and offers a chance for peace.

These agreements should give rise to further political processes. Whatever the results may be, if they reflect the will of the majority of the Angolan people, exercised in full and genuine freedom, this would also be explained by these victories, because what Angola's enemies always longed for was to erase the MPLA and the clearsighted, consistent, and courageous leadership of President Neto and later Comrade Jose Eduardo dos Santos from the map.

Our only desire, now that the mission that took us to Angola has been completed, is that its people and leaders will be able to choose without any kind of interference or pressure the path for rebuilding and developing their country. As it has done for more than 15 years, Cuba will always respect Angola's wishes. However, it is not possible to play down the dangers that threaten the true exercise of this national self-determination.

Cuba is an exceptional witness to U.S. duplicity in the case of Angola; the United States took on the singular status of mediator while it was at the same time an active party in the internal conflict. We know about the innumerable demands always in favor of the aggressor's interests. The hegemonic role that country is striving to play today in the world is not exactly the best guarantee that the agreements that should promote stability and peace for the tormented Angolan people will be respected.

Comrades, we are here today before the memory of those who fell to give an account to all our people and the leadership of the party and government of the mission that was entrusted to the Revolutionary Armed Forces almost 16 years ago. In the new and unexpected challenges, we will always be able to evoke the Angolan epic with gratitude, because without Angola, we would not be as strong as we are today. If our people know themselves better, if we know much better what all of us, veterans and young people, are capable of, it is also thanks to Angola. The prestige, authority, and respect Cuba enjoys today in the world cannot be separated from our performance in Angola.

Thanks to Angola, we understand in all its depth Comrade Fidel's teaching that when a nation like the Cuban nation has been capable of fighting and sacrificing itself for the freedom of another nation, what would it not be capable of doing for itself? If today we are more mature in our thinking and decisions, if today we are more solid, more experienced, it is also thanks to Angola. If today we are more aware of the work of the revolution because we have touched the terrible imprint of colonialism and underdevelopment, we have Angola to thank for this.

If today our political and ideological development, our revolutionary, socialist, and internationalist awareness, is deeper, we also owe this to Angola. If today our political and ideological development is deeper.... [corrects himself] If today our combat experience has been enriched, if we are more battle-hardened and ready to defend our nation, it is because along with hundreds of thousands of soldiers, 56,622 officers passed through the school of life and struggle in Angola. If our people are prepared to confront any difficulty in the times that are approaching, if we have confidence in ourselves and our ability to endure, to continue to develop the country, and to win, in this confidence is also the experience of how in the face of adversity we grew and won in Angola.

If we owe to a country a lesson on stoicism, greatness, spirit of sacrifice, and loyalty it is to the Angolan people which bade farewell to our internationalist combatants, with love, and gratitude. Today, under the sky of the fatherland, the combat flag of the Cuban military mission in the People's Republic of Angola glows with honor next to the lone star flag. The glory and supreme merit belongs to the Cuban people, true protagonist of this epic which will be up to history to value its deepest and long-lasting importance.

Allow me, on behalf of the Revolutionary Armed Forces, express as Fidel did during the October crisis days, that today more than ever, I am proud of being a child of this country. [applause] I report to our people and you commander in chief that Carlota Operation has concluded. [prolonged applause]

Mexican Magazine Interviews Castro on Capitalism

PA3005201391 Madrid EFE in Spanish 2341 GNT 29 May 91

[Text] Mexico City 29 May (EFE—Cuban President Fidel Castro has told the weekly publication SIEMPRE, in an interview to be published on 30 May, that capitalist society and democracy "are designed to oppress and exploit mankind."

During the interview granted in Havana to SIEMPRE Director Beatriz Pages Rebollar, Castro pointed out that socialism, as a system, is designed to protect, support, and help mankind, as well as "to turn man into a constant player in the task of creating a more just, more human, and more united society.

The Cuban president noted that the Cuban socialist system will survive because "it is a duty to our nation and a duty to our ideas, which we do not consider a failure."

"The failure of Marxism-Leninism cannot be categorically asserted because Marxism-Leninism has already contributed a great deal to the world, although it may undergo a setback or a significant or transitory decline that could be set off by special circumstances," the Cuban president stressed.

On the same issue, the Cuban President added that "Marxism-Leninism has inspired the revolutionary movement in the world for almost 80 years; Marxism has inspired the world for over 100 years, while Leninism has inspired the world for at least 80 years." According to Castro: "This century has been greatly influenced by Lenin."

Castro noted that the October Revolution was a result of those ideas, which in his opinion "is one of this century's greatest events, which in turn gave birth to the first socialist state in world history (the USSR)."

Castro labelled as "very important" the role that socialism played to defeat fascism, for the benefit of mankind.

According to the Cuban leader, the bells cannot toll, nor can the swan song be played for socialism, for socialist ideas, or for Marxism-Leninism."

"We cannot forget, among other things, that 1.1 billion persons live in China under the socialist system and that China has been a nation plagued by misery and hunger for thousands of years," Castro noted. According to Castro, "only socialism has been capable of creating a miracle to set that nation free of hunger and misery. China, with only 100 million hectares, feeds 1.1 billion persons."

"There is much talk about socialism's defeat, but where is capitalism's success in Africa, Asia, or in Latin America?" "Where is capitalism's success in those nations where millions of people live," Cuba's Castro asked.

"I believe that capitalism's failure should be discussed as widely as socialism's failure—in a lesser number of nations—is currently being discussed," Castro noted.

For Castro, "capitalism has failed in over 100 countries, which are undergoing a truly desperate situation. I do not understand why this is not mentioned, while there is so much talk about socialism's failure in the wake of the events in East Europe," Castro stated. "Capitalism has ruined the world; it has poisoned the rivers, the seas, the atmosphere, it is destroying the ozone layer, and it is adversely changing the world's climate," he stressed.

Castro has no doubts whatsoever that "this selfish and merciless regime (capitalism) is destined to disappear; I truly believe this because I have faith in humanity and I believe in mankind, in his capacity to struggle for justice and for freedom."

According to Castro, the socialist system "in every sense is much more democratic that the capitalist system."

To conclude, Castro said: "Any Cuban citizen can say: I am the state, as Louis XIV allegedly said, because he is the state, as he is the one who, with his arms, defends that state."

Fidel Meets Pan American Games Representatives

FL3005125791 Havana Tele Rebelde Network in Spanish 1100 GMT 30 May 91

[Text] Commander in Chief Fidel Castro held a fraternal meeting with the visiting leaders of missions from the countries that will participate in the 11th Pan American Games.

The president of the Councils of State and Ministers talked for over two hours with representatives of 37 of the 39 delegations from countries affiliated with PASO [Pan-American Sports Organization]. Fidel was interested in the delegations' agendas and described to the athletes the progress of construction of the games facilities. He explained that even though the recent rains affected the progress of the construction, the time lost is being regained thanks to the efforts of thousands of workers regularly mobilized for these tasks.

Jose Luis Naon, deputy chief of the Argentine mission, voiced the feelings of all the visitors by pointing out that never before had they seen so much attention to every detail and such willingness to comply with the requests of every country.

Fidel mentioned that five types of bicycles are being assembled in Cuba since that will be one solution for the fuel shortage and transportation problem for the thousands of citizens that will travel to the Havana del Este sports complex. Fidel also discussed the development and prospects of bio-technology and tourism in Cuba, among other subjects, during the meeting with the leaders of the sports missions.

*** New Labor Regulations Further Explained**

91CA0133A Havana GRANMA in Spanish
18 Apr 91 p 2

[Interview with Francisco Linares Calvo, minister-president of the State Committee for Labor and Social Security (CETSS), by Silvia Martinez; place and date not given]

[Text] Adapting the labor and wage policy to the country's current economic and social life, seeking the means and resources to ensure that no one will be unprotected, and being fair and equitable: These are the distinguishing features of a society such as ours despite the vicissitudes of the international situation and in contrast with what is happening in most countries of the world.

Substantial changes in labor legislation that are valid for the current special period and even for more prosperous times are now being made for the good of the organization of production and a more balanced distribution of human resources, guaranteeing that workers will be placed where they are truly useful and necessary.

An interview on this issue was granted to GRANMA by Francisco Linares Calvo, minister-president of the State Committee for Labor and Social Security (CETSS).

[Martinez] What labor and wage treatment will be reserved for spare workers who become available upon the promulgation of Resolution 4/91?

[Linares Calvo] That resolution combines two resolutions, 13 and 17, that were published last year. The former explains what is to be done with a worker made available as a result of application of the "multipurpose" or other organizational measure, and 17 is designed for spare workers, those finding themselves without jobs as a result of economic provisions taken to deal with the special period in which we find ourselves.

Resolution 4/91 gives equal treatment to both, meaning that wherever there is a duly authorized rationalization or reduction in personnel, workers made available are treated on the same basis as surplus workers due to the shortage of fuel and raw materials.

[Martinez] You mention the rationalization. Who authorizes such measures and what organizations are empowered to carry them out?

[Linares Calvo] No one can rationalize without previous analysis and authorization from the CETSS just because there are surplus workers. If, when it was still possible to do so, the number of employees was increased rather than reduced, this was improper.

So far, rationalization has been applied in agriculture and is justified by a series of organizational measures ranging from production to structure and staffing and from the Ministry on down to the enterprises. Personnel will thus become available from that organization and be reassigned to new jobs.

It was also decided to deactivate the government arbitration organization and the vast majority of the workers from there have already been reassigned. CETSS authorization is valid for enterprises, unions, and central organizations.

[Martinez] What role is played by labor commissions established by Resolution 18/90?

[Linares Calvo] They analyze the integration of workers into jobs, determine who should be sent to training courses, and evaluate who should occupy a vacancy based on the greatest demonstrated skills, discipline, and experience. They also determine when a worker is to be declared surplus and available. The commissions are made up of the most highly skilled workers, management, and the unions.

These commissions provide a guarantee of fairness in application of the resolution when it comes time to decide such important issues.

[Martinez] In other words, an administrator acting alone or in conjunction with his board of directors cannot determine which worker is surplus or available?

[Linares Calvo] No. Management does not have that power. It belongs solely to commissions organized at every center, and to proceed differently is a violation.

[Martinez] Does agriculture offer the possibility of labor reassignments?

[Linares Calvo] Jobs offers cannot occur in every case. There are occupations in which there will be substantial changes, but it is nevertheless a real possibility, particularly in municipalities with agriculture in nearby areas. In all cases, the solution of relocation must be reasonable to the worker.

It is not just because there are too many workers somewhere else that many go into agriculture. Rather, tens of thousands join the farm labor force simply because they responded to the summons of the revolution and had an interest in solving labor problems that existed there.

[Martinez] Many stay in agriculture for long periods of time. Does this mean giving up their original assignment? What wage applies?

[Linares Calvo] For agricultural contingents, workers from Ciudad de La Habana and others from La Habana work for two years. The wage set is 225 pesos for those who received less than that amount and those previously without jobs. If the wage set was greater, that sum is continued and if, at the original place of employment, the worker performed well, he would receive as much or more than 30 percent over the goal set.

A mobilized worker does not lose his seniority, even though we know that many wish to stay in agriculture.

[Martinez] Is there anything specific for provinces that have a labor shortage, such as Cienfuegos, Matanzas, La Habana, Ciego de Avila, and others, where it was feasible to apply Resolution 13?

[Linares Calvo] Actually, in all those provinces, following a study of jobs available to workers, the "multipurpose" concept and rationalization can be applied. We favor any organizational or structural measure based on the principle that no one should remain unemployed, and to think and work toward this goal, even now, is important.

[Martinez] If a worker reassigned for a specific period of time decides to collect his income at the new work center, where does that wage come from?

[Linares Calvo] From the center to which he was relocated.

[Martinez] And what if there is no vacancy and, consequently, no wage fund for him?

[Linares Calvo] If there is no payroll, it is because the new worker is not needed and, consequently, cannot be relocated there. This is important because we follow the policy of not assigning anyone where he is not needed. It would be inappropriate to take a worker from a place he is not needed and reassign him to another where he is not needed either! In all cases, the worker will be incorporated where he can do useful, necessary work.

To decide that the worker can collect his wage at the new center is an incentive for him, since he can receive a wage higher than at his original spot if where he is now has more work.

[Martinez] What will you do about short interruptions? Is there now a reason for Order 56?

[Linares Calvo] Even though that order is now in force, there is no reason for it to exist with the new resolution's manner of handling surplus personnel, whether for short or long breaks in employment. Consequently, it will soon be waived.

[Martinez] Is it aimed at concluding the labor contract for a specific period even if that period has not expired?

[Linares Calvo] No. The contract is expired when there is no need to renew it. If there are surplus workers at a given place for economic reasons, it is logical to take those hired into account. This is not the decision of any single person, but rather, comes from the commission of which we were speaking. They include all factors and will not allow procedural errors to be committed. It is for that precise reason that the commissions are set up, because that power cannot be given to any one person.

[Martinez] What is the current status of staffs at work centers?

[Linares Calvo] Since September, all organizations have been instructed not to fill all the vacancies that might occur. Authorization to do so is given only in essential cases, in jobs employing workers directly related to production or services.

[Martinez] There have been comments that retirement age will be moved up in view of the situation that now exists with the special period. I think this matter should be clarified and people should know whether spontaneous retirement continues at the age set.

[Linares Calvo] It is true that comments are being made, but the retirement age is still 55 for women and 60 for men. Workers reaching that age can, with the years established by law, retire if they so wish. That is a personal decision.

[Martinez] What will be the wage base for 1991? Will it remain unchanged even if the center is affected during the special period?

[Linares Calvo] The wage base is set for every enterprise or entity every year based on the number of workers and the payroll and no change will be made this year.

There may well be surplus workers at a given place because they cannot be relocated, but they will receive 60 percent of their set wage during this period.

[Martinez] What is being done about the work exchange valid for this and future phases?

[Linares Calvo] We are working with several organizations in Ciudad de La Habana to see how the exchange could be promoted so as to place employees as close to their place of residence as possible. This is not easy, although it is important, and there are areas in which it is more feasible, such as commerce, banking, and so on. Every organization must foster such movement because it would be ideal to have every worker in his own territory.

[Martinez] As far as the possibility of employment is concerned, what will happen to those graduating from the university this year?

[Linares Calvo] We are analyzing possible sources of jobs for university graduates this year. This work is not yet done and we are looking at each of the organizations based on the situation of the special period.

[Martinez] The 1981-1990 decade has just come to a close. How did employment grow during that period and what did it look like at the end of 1990? What are our prospects for the year 2000?

[Linares Calvo] During the decade, employment rose by 1.2 million workers, making an average annual increase of 3.2 percent. Of the total, 70 percent was in the economic sphere, particularly the industrial sector, with 490,000 new jobs, and construction, with 115,000.

The rate of women's participation went from 32.5 percent at the beginning of the decade to 38.7.

Our studies show that during this decade, 1991-2000, particularly the second half, growth in the population reaching

working age will drop—in what proportions we are now studying—which will in turn result in a better employment response, under normal conditions, naturally.

One final reflection at the conclusion of the dialogue: Even with the current crisis seen throughout the world, no one will be thrown into the street in our country, as is sadly occurring in many capitalist countries.

Justice Minister Pays Visit to PRC

WA3105114991

For reportage on the visit by Justice Minister Carlos Amat Fores to the PRC, please see the Latin America & Caribbean section of the 31 May China DAILY REPORT and subsequent issues.

Solana, Kaifu Meet; View World's Economy

PA2905172691 Mexico City XHTV Television Network in Spanish 0200 GMT 29 May 91

[Text] Mexican Foreign Secretary Fernando Solana has met with Japanese Prime Minister Toshiki Kaifu. He delivered a message from President Carlos Salinas de Gortari.

The meeting between Solana and the Japanese prime minister was held in the same place where Kaifu receives all important visitors requiring a certain protocol.

According to Solana, he delivered a personal message from President Salinas and later on, they exchanged information and views about the world's current economic situation and the commercial outlook offered by the various groups that are being created.

Solana reiterated Mexico's decision to work to make the North American commercial area an open one and the main driving force for the world's economy, especially for Pacific Basin countries.

The Mexican secretary subsequently held a news conference at the Mexican Embassy in Tokyo before leaving for Mexico shortly before noon.

* DDF, Parties, Except PRD, Sign Pact

91CA0131A Mexico City UNOMASUNO in Spanish 22 Apr 91 p 12

[Text of "Accord for Political Decorum and Strengthening Democratic Life in the Federal District," signed Mexico, D.F., 18 April 1991]

[Text] Background

The purpose of the political parties that sign this document and authorities of the Federal District Department (DDF) is to outline actions and measures aimed at ensuring that this year's election process in Mexico will be conducted absolutely within the existing legal framework, thus marking a clear step forward in political decorum and our democratic practices.

Political life in Mexico City has frequently come into question. Many of our citizens are skeptical about political and election processes and this affects institutions, political parties, and the harmony and development of civil society.

A collective effort is essential in order to make more rapid progress in the democratic sphere, and it is therefore necessary to conclude agreements helping to guarantee that elections will be conducted with honesty, security, and reliability.

The observance of legal norms is not subject to the conclusion of pacts. However, this agreement is a commitment made by political parties and authorities in the Federal District Department to promote the development of democratic life in the city through greater respect for citizens' rights and the creation of better conditions fostering political participation.

Based on all the foregoing, the parties to the agreement agree to the following:

Clauses

1—The signatory political parties and the government of the Federal District Department affirm their commitment to act in the strictest possible compliance with election laws and avoid any type of conduct that might foster violence in the planning, holding, and validation of elections.

2—Political parties will intensify actions aimed at improving the political and election education of members and citizens in general, present to the public their election and ideological platforms in order to further informed and rational voting by voters, and promote a higher level of political debate.

3—Political parties will conduct their election campaigns being careful at all times to maintain the order, cleanliness, and preservation of the city, particularly its squares, parks, and buildings. Party propaganda must not be detrimental to the historical, ecological, or urban image of Mexico City. Federal District authorities will join with political parties in designating which sites and places may be used to disseminate election platforms and programs, providing them with the best facilities for the purpose. In addition, participants will be careful to respect the propaganda of all political organizations.

4—Opinions, judgments, and criticisms exchanged by candidates and opposing parties will respect democratic civility and the exercise of civil and political rights.

5—Political parties and authorities in the Federal District will endeavor to provide citizens with maximum information about the planning and development of elections, for which purpose additional space will be created in social communications media.

6—Parties should notify one another concerning problems that arise during the coming election contest so as to join together in seeking a solution in accordance with the law and within a framework of honesty and good faith.

Final Declarations

The government of the Federal District will join with political parties participating in the Federal District and, within the sphere of its legal competency, provide each of them with the guarantees needed to carry out this agreement.

At the same time, in accordance with a recommendation made by the Assembly of Representatives on 6 February of this year, the governmer of the Federal District will back the work of parties nominating candidates for that assembly, for which purpose financial support will be provided for this process and clear and precise rules set forth for its holding and validation.

Political parties deem this political accord to be a valuable instrument for promoting the development of democratic life in this city. To the extent that both parties and authorities comply with the agreement, better political practices and improved forms of coexistence will be developed.

Mexico, Federal District, 18 April 1991

[Signed] Manuel Camacho Solis, head of the Federal District Department; Manuel Aguliera Gomez, secretary general of the Federal District Mayor's Cabinet; Jose Angel Conchello, National Action Party; Enrique Jackson Ramirez, Institutional Revolutionary Party; Belisario Aguilar Olvera, Popular Socialist Party; Adolfo Kunz Bolanos, Authentic Party of the Mexican Revolution; Rafael Aguilar Talamantes, Party of the Cardenist National Reconstruction Front; Baltasar Ignacio Valadez, Mexican Democratic Party; Edgar Sanchez and Leslie Serna, Revolutionary Workers Party (sign clauses only); Francisco Gonzalez Gomez, Labor Party; Jorge Gonzalez Torres, Mexican Ecology Party.

* Bishops Cite Destabilizing Effects of Poverty

91CA0131B Mexico City EXCELSIOR in Spanish 12 Apr 91 pp 1-A, 28-A

[Article by Patricia Cerda]

[Text] Cuautitlan Izcalli, EDOMEX, 11 Apr—The Mexican Bishops Conference (CEM) has warned of the risk of potential social disturbances in the country as a result of the conditions of poverty in which large numbers of the population are forced to live, "with minimum wages that are a flagrant violation of human rights." It asked businessmen to be more aware and to "sacrifice profits" so as to create jobs and raise workers' perceptions. It asked that FTA [Free Trade Agreement] negotiations be based on a strict moral sense and address the fate of migrants and the 20 million Indians "who must not be left out of progress and development."

At a press conference, Oaxaca Archbishop Bartolome Carrasco and Bishops Luis Morales Reyes, Felipe Arizmendi, and Genaro Alamilla expressed their profound concern over the deterioration of the purchasing power of workers' wages. During the fourth day of work of the CEM plenary meeting organized to study the church's social doctrine, they reminded businessmen of their moral obligation to "sacrifice profits to the extent possible in order to offer workers an opportunity for a dignified life."

The bishops said that the poverty experienced by millions of Mexicans is "a serious social sin" because of the lack of charity and solidarity manifested "by all of us" in the face of the wage demands and "hunger" that many of our brothers are now enduring.

"Solidarity with workers must be accompanied by charity," they said, "but charity must not be interpreted to mean alms. Businessmen must not supply with alms what in all fairness the workers have coming, which is a dignified wage. It is not a matter of giving anything away, but of recalling that they must pay what is fair, create jobs, and share their assets in order to give others the possibility of looking after themselves and their families."

They indicated that the church cannot remain silent and must condemn the situation "because to fail to do so would constitute a sin of omission."

They recalled that Pope John Paul II told Mexican businessmen in Durango that the concentration of wealth in just a few hands results in the poverty of the vast majority. "The economy must be based on respect for human rights, morality, and ethics," they said.

Bishop Genaro Alamilla said it is a flagrant violation of human rights not to pay workers a fair wage enabling them to live a dignified life with their family. "The violation of human rights is not solely of interest to the Gendarmerie or legal corporations. It also occurs in other fields such as education, politics, and labor."

Oaxaca Archbishop Bartolome Carrasco said that bishops in the southeastern region of the country are aware of the "hunger, exploitation, and prostitution resulting from the poverty in which large groups of the population live" and asked businessmen to recall that the earth's resources and wealth have a social function and must serve everyone.

"St. John said there are three sins in the world: pride, attachment to riches, and sensuality. The attachment to riches, he explained, is the cause of all injustices. It is a complex problem. Never before has man enjoyed primacy over capital. I do not think there will be an organized social explosion, which would be the worst thing that could happen, but I do think it is time to take care of the needs of the poor."

He added: "The people's fundamental rights have been so trampled that there is tremendous unrest and conflicts with groups such as workers and teachers and persons in the informal or underground economy. In Oaxaca, there are social disturbances because several Conasupo [National Company for Basic Commodities] stores have been robbed. Several political parties are taking advantage of the situation and attempting to destabilize the community now for election purposes. Solidarity with the poorest sectors is urgent."

Bishop Morales said an economy based on free competition cannot subsist without ethical principles "because the voraciousness is turned back onto society itself in the form of the procreation of extreme poverty. One must recall that man is the basic value of the social teachings of the church."

Migrants and Agreement

Tapachula Bishop Felipe Arizmendi and the archbishop of Oaxaca expressed their concern over undocumented persons and Central American refugees and emphasized

that emigration due to "hunger or need," as in the case of our illegal immigrants in the United States, cannot be excluded from the nation's aspirations to progress.

Carrasco said the Free Trade Agreement should clearly determine what benefits will go to the poorest people, meaning our country's 20 million Indians and rural people whose lack of opportunity forces them to emigrate to the United States in search of better living conditions.

"We Mexicans cannot aspire to miracles with the FTA. It is undeniable that the agreement will have a negative effect on the minienterprises. I think it is immoral that this treaty should benefit only the big foreign companies while the smaller companies, the poor, migrants, and Indians are left out. There are 20 million Indians in Mexico. What will become of them if they suffer the worst effects of the crisis?"

He continued: "We know that we cannot be isolated and in some way the FTA will introduce us into international relations, but the agonizing question is the survival of the Indians, who are not even wage earners."

He said that all aspects relating to human life must necessarily have an ethical meaning, as a result of which the government, businessmen, and society as a whole have an obligation to cooperate so that within the context of the FTA, the Indians and the poorest people who ultimately become migrants are not excluded.

* Oaxaca Archbishop Cites Aid Program Flaws

91CA0130A Oaxaca NOTICIAS in Spanish
24, 25 Mar 91

[Parts I and II of report on interview with Oaxaca Archbishop Bartolome Carrasco Briseno by Jesus Garcia are available.]

[24 Mar p 1A]

[Text] Bartolome Carrasco Briseno, archbishop of the Archdiocese of Oaxaca, puts his head in his hands. His face is the picture of distress, and his voice is resonant with despair.

At present he says: "Our people are afflicted by a terrible famine. People whose basic sustenance is maize do not even have that any more.... Their diet has recently undergone severe limitation."

Carrasco spoke with NOTICIAS at length about the plight of peasants in rural Oaxaca. In his view, lack of guidance on how to use timely rainfall to enhance output, of credit, and of well thought-out farm programs has led to a crisis of terrifying proportions.

And in addition: "You know our region has traditionally suffered from severe neglect. Oaxaca lacks the resources other regions have. Only recently has there been talk about a better break for Oaxaca and the debt owed to the state. These are encouraging signs, but given the seriousness of the problem, they are wholly inadequate as a response."

"What about the achievements of the revolution?" he asks, then proceeds to answer his own question. "We cannot consider them changes for the better. Rather, they have led to deterioration and waste."

His eyes close as he passes his right hand over his face and adds: "Adequate mechanisms for teaching people to make adequate use of their lands have yet to be established. As a result, the most arid areas are solely dependent on rainfall, and (production) is in no way sufficient. It does not even meet the needs of the producers."

"And in regions with abundant output, where conditions might favor subsistence, the land is tied up in large holdings. Where this is not the case, the peasants lack the guidance, training, and education to put their lands to good use. To this must be added the fact that most of Oaxaca is at the mercy of natural rainfall and chance. The upshot is inadequate crops."

Throughout the interview Carrasco refers to the Pope's Lenten message which "calls for solidarity and asks us to share our goods with others. It also talks about hunger and alerts us to the shocking situation in many parts of the world."

"And where Oaxaca is concerned, there are places where there is not even any maize. It has simply run out, and the hoarders who ship it in charge very high prices. So far—he stresses—we have found two places where people can no longer eat tortillas in the way they usually do. Their diet has been reduced to tortillas, bread, and chile peppers if they have any. Now they cannot even have chiles on a regular basis."

He continues: "There are places in the Archdiocese where Conasupo [National Company for Basic Commodities] sells maize. Missionary teams have generally reacted by pressing for reduced prices. They do not call for handouts, but they do seek assurances that the maize provided be of better quality and more nutritious. In any case, this state of affairs is causing terrible hunger among our people."

[Garcia] Does this mean the farm programs have failed?

[Carrasco] You are asking me if the farm programs failed. My answer is: What farm programs?

[Garcia] The government has repeatedly announced farm programs, production supports.... Have these amounted to announcements and nothing more?

[Carrasco] In the areas I know about no farm programs have been applied for, have been implemented. What hurts most is that support programs are aimed mainly at people who are creditworthy and not at the majority of the people who are unqualified for loans. Credit generally goes to people who are well off... who can pay. The person with a small parcel ravaged by frost, drought, flood, or whatever has a very hard time paying off credit all alone. Unless there is unity, we never escape the vicious circle of dependency."

Carrasco brings up Pronasol [National Solidarity Program] and says: "It is not easy to implement. Abuses are common because influential people in the community misuse it."

He adds: "People receive the money given out almost as if it were alms or charity. I think there is too little awareness that these funds are neither alms nor charity but distributive justice on the part of the government. But that is not all. It would appear that politics are involved since the logo that appears right up front is not the flag but the logo very often used by the PRI [Institutional Revolutionary Party]. This suggests frequent political manipulation. I know communities where Pronasol funds are applied for, approved, and distributed through sympathizers and members of the PRI and denied to others. This may not be the intention of the high-level leaders who manage the funds, but in reality, at the grassroots, this is what happens.

[25 Mar p 1A]

[Text] More than despair there is misgiving—almost irritation—in the words of Archbishop Bartolome Carrasco Briceno upon stating: "It is certainly true that rank and file teachers—like all Mexican workers—need a decent pay raise. However, it is also true that the rank and file has lost its way because the leadership—I venture to say some leaders—have even go so far as to sell out the movement. It is no longer a matter of fighting for the rank and file but of getting some soft job or another, some benefit or other at the personal level."

The expression on the face of the Oaxaca archbishop changes repeatedly. During an interview lasting nearly an hour and a half, he appears by turns despairing and mocking. He grows suspicious, irritated, and anguished.

NOTICIAS asked about the church's stand on the plight of teachers.

Once again the archbishop closed his eyes and placed both hands on his temples. "A short time ago I was asked the same question. I was asked if I was withdrawing my support of the teachers, and I do not know if my answer was understood. What I wanted to get across was that I cannot withdraw my support for just demands."

He adds: "The only thing is that circumstances have changed. You have to look very closely to see if these demands are made to help teachers or as a springboard to political positions or something else for leaders of teachers groups."

He proceeds to acknowledge that the teachers have lost their way because their leaders have sought only to benefit themselves. Some have "even gone so far as to sell out the movement."

Carrasco says this is why the church has so far kept silent on the matter of teachers. He goes on to lament that "the education provided our youth, our children, and adolescents is suffering from deterioration. It is very sad to learn from other sources that graduates of our secondary and preparatory schools are not getting into universities. This is nothing more than an indicator of our students' low academic level." Since now it really has fallen so low that it no longer, no...." [quotes in last two lines as published]

Costa Rica

Foreign Ministry Denies Relations With PLO

PA3105005591 Panama City ACAN in Spanish 1711 GMT 30 May 91

[Text] San Jose, 30 May (ACAN-EFE)—Costa Rican Foreign Minister Bernd Niehaus stated today that Costa Rica will not establish diplomatic relations with the PLO.

On 29 May, Minister Niehaus refused to receive Musa Odeh, the PLO representative in Nicaragua, who is in San Jose at the invitation of the National University where he gave a lecture last night.

Mr. Odeh said that he had an appointment with Minister Niehaus, but was only received by Marco Vinicio Vargas, the Foreign Ministry protocol director.

Minister Niehaus confirmed that "we are not establishing relations with Palestine, much less the PLO. We have excellent foreign relations with Israel—the nation and its responsible government."

El Salvador

Cristiani Denies 'Backing Away' in Peace Talks

PA3105133191 San Salvador Canal Doce Television in Spanish 0300 GMT 31 May 91

[Report by Ernest Rivas; passages within quotation marks are recorded]

[Text] Today, President Alfredo Cristiani denied charges made a short while ago by the Farabundo Marti National Liberation Front [FMLN] that the goverment was backing away in the peace talks being held in Caracas, Venezuela. It has been learned that during the negotiations the United Nations submitted a proposal, which, according to President Cristiani, was not rejected, but commented on. The FMLN, however, interpreted this action as a move on the part of the government to back away from the dialogue process. The president denied those reports.

[Cristiani] "We are not backing away, but have commented on the working documents submitted by the United Nations, in which it tries to bring together the agreements and understandings needed to seek a final accord. This is precisely the function of this working document, to allow each side to comment. This in no way means that we are backing away. That is what the FMLN is saying for propaganda purposes."

Cristiani said that so far it is hard to predict the outcome of the talks, given that the topics under discussion are complex and difficult. These factors often cloud the progress. The president stressed that some of the FMLN stances are incomprehensible.

[Cristiani] "We are adhering to our flexible stance, within reason. If, however, the FMLN only wants to reach agreements on the existence of the Armed Forces, then we can only conclude that they want to continue blocking all possibilities of reaching an agreement."

When asked if the installment of the United Nations Observers for El Salvador could be unconstitutional, as the Crusade for Peace and Work has said in a local newspaper, the president strongly denied it.

[Cristiani] "We do not think it is unconstitutional since the group is not engaged in any kind of intervention, instead, it has been asked to conduct verification work only, but it has no authority. For that reason, we do not think its presence poses any problem. As a matter of fact, the UN Observers Group in Central America has been in this region for several years, and there has never been any problem."

Reacting to remarks by Argentine Colonel Jose Luis Garcia [participant in past proceedings against Argentine officers involved in the dirty wars] regarding the Jesuits case, the president said he really could not say if his remarks were legal, but he noted that they do not contribute anything to clarify the case. Commenting further, Cristiani added that he has not received any request to make a statement on the case, although he is at the disposal of the 4th Criminal Court.

FMLN's Jorge Melendez Interviewed on Talks

PA3005235791 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 May 91

[Part I of interview with Farabundo Marti National Liberation Front's (FMLN) Jorge Melendez, alias Commander Jonas, by unidentified reporter; place and date not given—recorded; first paragraph is station announcer live introductory remarks]

[Text] [Announcer] In the first part of this interview we asked our comrade about the current round of talks in Caracas, Venezuela. This was his reply:

[Melendez] As for the new round of talks, the most important thing that we must tell the Salvadoran people is that the government aims to sow discouragement and that they have the idea that the people have no [word indistinct] in making decisions regarding the country's future. This is completely untrue.

The government.... [changes thought] Cristiani himself has publicly said that they are ready to sign a cease-fire now. The FMLN has not said that it is ready to sign a cease-fire, because it did not propose all the initiatives that are being discussed. During [words indistinct] in Managua, I proposed the discussion of these three topics and the acceleration of the decisionmaking process.

If we established a cease-fire at this moment, we would also need to define the status of the parties involved. Will we remain armed? Where? Under what conditions? What political conditions will exist for Salvadoran society? What guarantees will there be to ensure freedom

of political action and the press? Obviously, all this requires negotiation, discussion, and decisions.

What will happen to the National Army that is accused of murdering the Jesuit priests and committing several massacres and [passage indistinct] and it has submitted proposals and is trying to have these points defined at this meeting. We are facing a concrete reality: The Armed Forces do not believe that the conflict should be solved [passage indistinct] are benefitting and enriching themselves through war revenues. Therefore, there is some sort of power alliance that opposes a negotiated solution [words indistinct].

Therefore, the FMLN's outlook is [words indistinct]. It does not believe that a cease-fire will be reached, but that there will necessarily be progress [words indistinct]. In other words, the FMLN is seriously negotiating; it is seriously holding talks seeking mediation that has a very serious moral and political authority. As a result, the negotiations will necessarily yield progress. A group of fraternal countries headed by the [UN] secretary general is monitoring the developments, so the people must understand that these are positive (?aspects).

The fronts's military chiefs are not participating because of administrative reasons. There was no binding rule that the same persons would belong to the commission, as it composition would vary. On the other hand, during this round of talks, if we are not going to define a solution or discuss [words indistinct] the details, the FMLN will have to consider whether or not there is an interest. Our fundamental consideration is that the Army is currently engaged in a military operation, and our military chiefs cannot be remiss in their basic duty of putting a stop to the Armed Forces' warmongering attitude.

We feel that that way we can get closer to a final negotiated solution once the Armed Forces realize that they cannot alter the situation in the country, and that they must accept that we must negotiate without [word indistinct] and under the conditions of dual power that currently exists in the country. We must reunify Salvadoran society under new conditions, namely, under conditions of liberty, justice, democracy, with a purged Army, and with the creation of a new security corps that must be civilian, based on a different concept so that it would not be be repressive. In other words, it would be an extension of civilian society, instead of being repressive.

[Reporter] [Question indistinct]?

[Melendez] The point that we are formally discussing deals with the Armed Forces and the cease-fire. Different aspects will be included in this point, which was already mentioned in the Caracas [word indistinct]. Because we are not bound to have a cease-fire, we feel that this point will serve to reunify the country, so there would be no need of war in this country. That situation would entail a new [words indistinct]. It would mean the people would feel completely safe to express their views, no matter what they may be, [words indistinct]. It would mean total freedom of the press, meaning that journalists would have the protection to express the views of any sector so we can have a true debate of ideas all over the country. It would mean the FMLN will be allowed and entitled to participate in national civilian activities, and that no one in El Salvador will be persecuted for his political ideas, ranging from the opposition political parties to FMLN sympathizers.

If we succeed in creating that period of tranquility and happiness for Salvadorans, the war would then lose its reason for existence. Creating this period, however, entails dealing with the problem of purging and doing away with the impunity of the Armed Forces. It becomes necessary to agree on what form freedom of the press will take. We are proposing that the Army must act in an [words indistinct] manner and not go out into the streets, that the FMLN should have protection and control systems within its territories and have some areas where it can (?set up its camps), and that there would not be a military presence in most of the country. All of this does not mean that security corps, namely, the National Guard, the National Police, and the Treasury Police—the most bloodthirsty—will then take control over the whole country. Therefore, the discussion of a national civilian police will undoubtedly be included in this point. The truth is that the points the FMLN plans to discuss are regarding a profound democratization of the country and all those elements that will make it materialize, before getting into the merely technical aspect of what a cease-fire is, that is to say, the most pressing aspect.

FMLN Commanders Announce Increased Attacks

PA3105035291 San Salvador EL MUNDO in Spanish 29 May 91 p 36

[Text] San Miguel City, San Miguel Department, 29 May—Two FMLN [Farabundo Marti National Liberation Front] spokesmen, who identified themselves as Southeastern Francisco Sanchez Front "commanders," called Radio Chaparrastique in San Miguel City early this morning to say that the bulk of the FMLN forces were getting ready to deal a harsh blow to the Armed Forces and the government. These plans, they said, are in accordance with orders from the FMLN's top commanders aimed at strengthening the dialogue in Caracas, Venezuela.

The first telephone call was from someone who said he was a political-military commander. He reported that since last night the guerrillas have occupied the town of Villa El Triunfo, Usulutan Department, on the Pan-American Highway near the Santiago de Maria turnoff, between the 105 and 106 km marker, and that they were still there "because we are going to wait here for the Army." A military report indicated the rebels were in a nearby sector, north of the town. The caller indicated that since last night the FMLN has been increasing its sabotage of the national energy grid and other areas of

the national economy, and that the sabotage will gradually be carried into the country's major cities. He explained, "We are doing this also to strengthen the FMLN's position at the negotiating table in Caracas. We want to tell the government and the Army not to deceive themselves; we are stronger than ever. We are not going to lay down our weapons without agreements favorable to the FMLN."

Other sources revealed that last night the extremists dynamited at least four 115,000-volt power lines in the Mercedes Umana, Jucuapa, and Estanzuelas zones, Usulutan Department, which is why the entire eastern region is without electricity this morning. Another rebel commander called the same radio station from Sociedad, Morazan Department, to say the guerrillas have been surrounding El Tablon Canton since last night. He said that they were also occupying Sociedad, where they had gathered the town's residents this morning to hold a rally to explain the END's (National Army for Democracy) position. The same person added that the FMLN is not going to reach a cease-fire if there are no agreements favorable to its interests. The commander announced that the FMLN is in the final phase of preparations to deal a harsh military blow.

Last night, guerrilla forces were in the area around this city in an attempt to enter and conduct indiscriminate attacks. They were intercepted, however, by vanguard Army soldiers. Fierce fighting was reported in the areas of San Antonio Chavez and Agua Zarca Cantons, in the north. Arce Battalion contingents are still engaged in fighting in San Agustin and San Francisco Javier, in Usulutan.

CD Deputies To Boycott 1 Jun Cristiani Speech

PA3105020091 San Salvador Radio Cadena YSU in Spanish 1800 GMT 30 May 91

[Report by Julio Ernesto Rodriguez]

[Text] The Democratic Convergence [CD] announced today that it will not be present at the 1 June meeting when President Alfredo Cristiani will deliver a speech evaluating the second year of his administration.

The CD said that this decision was made in response to the recent defamatory campaigns conducted by high military officers and members of private enterprise. The CD also protested the Army's arrest of two of its National Congress deputies.

[Begin unidentified CD member recording; broadcast in progress] ...our serious concern over recent statements by members of the Armed Forces, particularly by Colonel Elena Fuentes. Those statements not only link our political organization to the FMLN [Farabundo Marti National Liberation Front], but also attempt to hold us responsible for recent military attacks against the 1st Brigade. Should any member of the Armed Forces High Command have proof of our responsibility, we demand the presentation of such evidence.

3. We demand that the Armed Forces commanders fully comply with the law clearly prohibiting such political statements.

4. We condemn the illegal and arbitrary detention—carried out with extreme arrogance—of Deputies Luis Monge and Martin Pineda, as well as a group of supporters yesterday in Chalatenango Department. We will immediately take steps to identify those responsible for this action that clearly violates our Constitution.

5. We state our steadfast determination to continue searching for real peace and democracy through negotiation and political participation. We reserve the right to resort to all legal mechanisms to exercise our right, and that of all our followers, to participate actively in the national political life.

For the aforementioned reasons and as an initial form of protest, the CD deputies will abstain from participating in the 1 June legislative session during which the commander in chief of the Armed Forces will address the plenum of the Legislative Assembly. [end recording]

CD Deputy Hector Silva said that the Armed Forces policy does not contribute towards developing a broad political spectrum so that all forces can have the opportunity to participate.

The CD also urged President Alfredo Cristiani to convoke a meeting to discuss these points. The CD noted that for the time being no legal action will be taken against Col. Elena Fuentes, commander of the 1st Infantry Brigade, for his statement against that political organization.

Jesuit Says U.S. Bears Responsibility in Murder

PA3005163991 San Salvador Canal Doce Television in Spanish 0300 GMT 30 May 91

[Report by Elizabeth Lemus; passages within quotations marks are recorded]

[Text] Today, Jose Maria Tojeira, Jesuit provincial for Central America, insisted that the murder of the Jesuit priests at the UCA [Central American University] was plotted by high-ranking officers. During an interview on the "Good Morning" program, Tojeira added that the United States has a moral responsibility in this case.

Father Tojeira believes that the murder of six Jesuit priests and two UCA workers in November 1989 was rigorously plotted by high-ranking officers who used soldiers under their command as executioners. Tojeira added that prior to the priests' murders, there was already a campaign to prepare the groundwork.

[Tojeira] "In a well-organized Army, regardless of what country it is from, a specific command unit cannot act alone; and even if it were able to do so, its immediate superiors would learn about it and investigate its actions. I believe that plans to kill Father Ellacuria, who was a

most relevant personality, started in this country in the late 1970's, but the conditions to implement the plans did not exist at the time."

In regard to recent statements by U.S. Major Eric Buckland that he identifies and sympathizes with the Salvadoran officers who killed the priests, Father Tojeira stressed that the United States is responsible for these crimes because it sent advisers with murderous mentalities.

[Tojeira] "The evidence suggests that from a legal standpoint the United States is not involved in this case. The United States maintained a military adviser with a murderous mentality within the High Command. Buckland showed that he has this kind of mentality when he stated that verbal enemies must be treated in the manner as armed enemies—and that is why the United States is morally responsible for the murders and abuses that Armed Forces elements may have committed. If in wartime I placed a murderer in an important post involved in psychological operations.... [changes thought] and this man was involved in major psychological operations."

The provincial of the Society of Jesus for Central America voiced his skeptism toward the current investigation. He said that this phase will yield no positive results, because sectors that do not want the truth made public are still hiding evidence.

[Tojeira] "I am not expecting spectacular results, but I believe that current evidence against the accused could be consolidated. Unfortunately, I do not believe that the names of those responsible will be known this week. The reinforcement of the idea that masterminds do exist—in our opinion four or five colonels acted outside the bounds of the official Army line of command—could lead to their discovery."

Tojeira believes that powerful sectors of the Armed Forces and in the United States do not want this crime solved. He added that the CIA, FBI, and U.S. National Security Council are withholding important information on the Jesuit case, refusing to reveal it and thus obstructing the investigations.

Finally, he pointed out that President Cristiani has shown his goodwill in solving this case, but other sectors do not want it solved.

FMLN Activities for 23-25 May Period Noted

PA2905165791

[Editorial Report] San Salvador LA PRENSA GRAFICA in Spanish on 23 May on page 29 carries a 300-word report on a Farabundo Marti National Liberation Front, FMLN, "attack against the 1st Infantry Brigade installations at 1720 on 22 May, which left two women dead and six civilians and three soldiers wounded." The report adds: "The seven rockets launched by the urban commando against the garrison's installations did not hit the target due to the rebels' lack of foresight and marksmanship" and one of the missiles fell on a civilian's house.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 23 May carries a eight-minute military report. The first report says that the Armed Forces' offensive against FMLN-controlled areas has increased in the past hours and that the soldiers recently arrested 17 civilians on Cacahuatique Hill. It adds that the "Arce Battalion and 6th Infantry Brigade troops" are participating in the offensive and that Air Force paratroopers are harassing the residents of Sinquera, Sestenango, San Nicolas in the Cuzcatlan and Cabanas Departments.

Another report says that "a National Army for Democracy, END, sharpshooter attacked 1st Infantry Brigade troops at Loma Chata canton, San Jose Guayabal Jurisdiction, Cuscatlan Department at 1515 today and inflicted one casualty."

The rebel station continues to report that END soldiers blew up "six power towers on the Tamayo-Eltuira Road, Tejutla Jurisdiction, Chalatenango Department at 0100 today."

The final report is on a communique issued by the Anastacio Aquino Paracentral Front in regard to a clash with Engineers Detachment troops in Aguas Charcas, Zacatecoluca Jurisdiction, at 0900 on 17 May, where the rebels reportedly inflicted six casualties on the enemy. The communique adds that one of the rebels was wounded, taken to the San Carlos Lempa community and medics were called to assist him. When the END medics arrived, however, the soldiers started to throw grenades and fire indiscriminately against the community and the medical team had to flee. The Anastacio Aquino Front communique adds that since then the soldiers have harrassed the San Carlos Lempa residents and have arrested three men.

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 23 May carries a four-minute report on END troops turning Claudia Patricia Alvarenga, 15, over to a humanitarian institution at 1500 on 22 May. The rebel station says she was arrested when she was carrying out espionage activities in FMLN controlled areas a few days ago.

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 24 May broadcasts three minutes of battle reports. The first clash takes place at 1325 on 23 May "between END troops and a section belonging to the 1st Infantry Brigade at San Jose Guayabal Jurisdiction, Cusclatan Department." The report says that premiliminary figures indicate that "six Army soldiers were killed and abandoned while nine wounded soldiers fled." The report adds that "two seriously wounded soldiers were taken as prisoners of war and right now FMLN medics are giving them the proper attention."

The rebel station continues the report, adding that three casualties were inflicted on Belloso Battalion troops between 1315 to 1600 on 23 May in (Langostas) Jurisdiction.

The last report says "14 power pylons were sabotaged by the FMLN during the last few hours in several parts of central El Salvador."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 24 May 91 broadcasts two minutes of battle reports. "Special END forces carried out a surprise raid against the Atlacatl Battalion's 2d Company at 2330 on 22 May at El Zapote Canton, Suchitoto Jurisdiction, Cusclatan Department. The 30-minute battle left 10 causlties."

The station continues its broadcast, reporting heavy fighting between END and paratroopers on 22 May in Cinquera Jurisdiction, but adds that enemy casualties are not known at the time. The station adds "Military Detachment No. 5 suffered three casualties when it crossed a mined area in Izcanal Hill, Cinquera Jurisdiction." Continuing with the report, the announcer adds "from Cabanas Department we have a report that eight power poles were sabotaged and this affected power from the 5 November and the El Cerron Grande Dams."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 25 May broadcasts a five-minute six-point communique issued by the FMLN's END Joint Command of the Modesto Ramirez Central Front, Guazapa Sector. The communique says in part "at 0900 on 15 May a clash took place between FMLN's END and Atlacatl commandos at La Mora Village, El Zapote Canton, Suchitoto Jurisdiction, Cusclatan Department. Our comrade, who used the alias Andres and who was a lieutenant squad leader, was wounded and captured." The communique continues: "Comrade Lieutenant Andres was captured, dragged, and later murdered by a grenade and rifle fire. His teeth were pulled out, his tongue was cut off, his right eye was gorged, and his right arm was broken." The communique adds that "the body was left uncovered for the population to see as part of the psychological and terror warfare employed by this battalion."

The station continues to broadcast 14-minutes of battle reports that include a report issued by the Modesto Ramirez Central Front which says that on 4 May "heavy fighting against the 1st Infantry Brigade's Libertad Battalion in La Cruz Canton, San Jose Guayabal Jurisdiction broke out at 0700." The report says that the rebels "inflicted six casualties on the enemy. Two soldiers were killed and four were wounded." The report adds that the rebels seized "an M-16 rifle, an M-79 grenade launcher, military equipment, and nine grenades for an M-79 grenade launcher."

The clandestine station adds that END rebels "occupied the town of San Buenaventura, Usulutan Department." National guard units "wearing civilian clothes" arrived 30 minutes later and "heavy fighting broke out; seven casualties were inflicted on the enemy unit; three soldiers were killed and four were wounded." The report adds that the rebels "seized three M-72 LAW rocket launchers" and suffered no casualties. The report states that because the National Guard is "using private vehicles for their transportation and opening fire from them against our troops," three civilians were "seriously wounded" during the clashes. In other actions, "END troops sabotaged two pylons of the 115,000 volt line in El Chilamate Canton, Jucuapa Jurisdiction, Usulutan Department." The report adds that "another END unit sabotaged another pylon in La Montanita, Los Llanitos Canton, Chinameca Jurisdiction, San Miguel Department."

In the same segment of battle reports, Radio Venceremos states that "heavy clashes between troops of the END and the Armed Forces Engineers Military Detachment, DMIFA, in La Concordia and south of San Carlos Lempa, Tecoluca Jurisdiction, San Vicente Department." The report states that the six DMIFA soldiers were killed and six were wounded and that the END "reported the death of companeros Isabel and Ricardo."

The station reports that on 23 May in Cabanas Department "END troops staged a serious attack against a parachute squadron" in San Francisco, Cinquera Jurisdiction, and "inflicted six casualties." Meanwhile, "the General Juan Ramon Belloso Battalion suffered three casualties" in clashes against rebel forces on 23 May, "in El Rotulo de Los Monos and between El Corralito and Los Picachos, in La Laguna Mountain area, Las Vueltas Jurisdiction, Chalatenango Department." The 14-minute segment concludes with a report stating that "END troops clashed with units of the 15 September Battalion of the National Guard in El Tortuguero Canton, Santa Clara Jurisdiction, San Vicente Department." The report adds that two casualties were inflicted on the enemy.

San Salvador Canal Doce Television in Spanish at 0200 GMT on 25 May carries a one-minute report which says that "the guerrilla attacks against car dealerships, which began again on 23 May, have resulted in 50,000 colones in damage." The report adds that "FMLN urban commandos threw an explosive device at the Autocar dealership." No casualties were reported.

The same station continues to report that "three National Guardsmen and two FMLN guerrillas were killed in San Buenaventura Jurisdiction when FMLN columns attacked a privately owned vehicle in which the soldiers were being transported." Four National Guardsmen and three civilians were wounded in the attack. The report also says that "two guerrillas died in fighting against the Army in San Vicente, La Paz, and Cuscatlan during which three soldiers were wounded."

Guatemala

Foreign Minister Comments on Belize Issue

PA3005182791 Guatemala City PRENSA LIBRE in Spanish 29 May 91 p 6

[Text] On 28 May, Guatemalan Foreign Minister Alvaro Arzu announced that the Belizean Government will not

be present at the forthcoming Central American summit, which will take place in El Salvador early in July.

Arzu explained that Belize's presence at these Central American forums would be possible only with the consent of the president. He stressed that at present, Salvadoran President Alfredo Cristiani, host of the presidential meeting, has not given that consent.

Arzu said that an old dispute with Belize is still pending resolution, and it must be resolved in accordance with the Republic's political Constitution. He stressed that the Foreign Ministry is carefully studying this age-old problem so that it can make proper decisions as it searches for an honorable agreement, but all actions to this effect must be based on the constitutional law mentioned earlier.

Arzu said that the Foreign Ministry has not received any new proposal from the Belizean Government, but underscored the possibility of initiating talks in order to find an honorable solution. The only proposal Belize has made to the Guatemalan Government concerns a path to the Caribbean, but the foreign minister refused to make any comments regarding this issue.

Nicaragua

Confiscated Farms Returned to Former Owners

PA3105044391 Managua LA PRENSA in Spanish 28 May 91 pp 1, 12

[Report by Celso Canelo C.]

[Text] Ricardo Barrios, director of the National Corporations of the Public Sector (Cornap), has reported that 66 farms were returned on 27 May to owners who had been unjustly affected by the Sandinist regime.

Barrios added that the State Production Unit "Hilario Sanchez," located in the area of Nagarote and La Paz Centro, as well as the Enterprise "Carlos Aguero," located in Leon, Malpaisillo, and Quezalguaque, were returned to their former owners.

Ricardo Barrios said that the properties were delivered to their legitimate owners, who had been unjustly affected by the previous government. "We took this action in compliance with Presidential Decree No. 109-91," Barrios stated.

In addition, Barrios reported that the State Production Unit "Ricardo Morales Aviles," which is an agricultural company located in Chinandega, and the State Production Unit "Aquiles Reyes," located in Cosiguina, will be returned to their former owners.

Meanwhile, Ricardo Barrios noted that more than 11,000 manzanas of land were sold to the workers of the Agricultural Exporting Corporation (Agroexco). "Officials, technicians, and workers in general benefited by this sale," he stressed.

Barrios explained that the mechanism that is being implemented for the return of farms is the creation of commissions that represent the workers' interests. By way of these commissions, the farms are transferred to the workers.

In addition, agricultural equipment and tractors with their respective supplies are being distributed among the different farms, regardless of those who have been favored, Barrios said.

Barrios stated that farms are being given to the retired officers of the Sandinist People's Army [EPS] and the demobilized members of the National Resistance [RN], as part of a joint effort with the Government Ministry.

The Cornap director stated that the agreements for the return of farms under the administration of Agroexco is based on the premise that no worker can interrupt the work in the farms which have been returned to their legitimate owners.

In addition, the return of the farms is being implemented based on the premise that the Farm Workers Associations (ATC), as well as the retired EPS officers and the RN members, do not obstruct the process.

"Moreover, we agreed to respect those people who own a house or a tract of land, and whose family may have lived there for at least three years, inasmuch as this does not affect the production of the farm," Barrios concluded.

People Urged To Defend Sandinist 'Benefits'

PA3105035391 Managua EL NUEVO DIARIO in Spanish 29 May 91 pp 1, 8

[Excerpt] Dr. Sergio Ramirez, head of the Sandinist wing of the National Assembly, has urged the thousands of Nicaraguans, who received the benefits of the Sandinist Revolution in land, housing, agrarian reform titles, and property rights, to defend them at all costs.

Dr. Ramirez made this announcement after representatives of the Sandinist Front (FSLN) [Sandinist National Liberation Front] rejoined the Special Ownership Commission of the National Assembly that met yesterday with INRA [National Institute for Agrarian Reform] Director Dr. Gustavo Tablada and Cornap [National Corporations of the Public Sector] Director Dayton Caldera.

Nicaraguans "should keep their eyes open to defend the benefits of the revolution, and together we must defend them," said the chief of the Sandinist wing when asked by EL NUEVO DIARIO about the ownership problem in Nicaragua.

Sergio feels that the basic problem afflicting the country is the issue of ownership "where there are groups on the extreme right who seek to reestablish the state of ownership existing in Nicaragua prior to 1979." [passage omitted]

Front for the People's Struggle Lists Demands

PA3105020291 Managua BARRICADA in Spanish 27 May 91 p 10

["Declaration" issued by the Front for the People's Struggle in Managua; no date given

[Text] **Declaration of the start of the staggered civic struggle, a struggle without respite until the government respects laws and agreements and puts an end to its unpopular and destabilizing policy.**

The 15 member organizations of the Front for the People's Struggle [Frente de Lucha Popular—FLP], representatives of all the country's sectors, especially the poorest, who are victims of the government's vindictive attitude and its merciless disrespect for their most basic human rights, declare that:

1. After 13 months of the Chamorro government and at the end of the 60-day truce we gave it to prove it truly had the political will to respect the people's rights, we have confirmed that all we are achieving with the Chamorro administration is a return to the past, a past we thought was buried forever.

2. Laws are being contemptuously violated with absolute impunity.

3. The people are being abused in an arrogant way. Under threat of immediate eviction, they are forced to sign rental contracts and payment obligations for something that already belongs to them.

4. In addition, with obvious government consent and complicity, through bills to abolish **Laws 85 and 86** and the promulgation of new laws aimed at justifying the current destabilizing and unconstitutional policy, the people are threatened with a policy to strip the people of all their rights and turn Nicaragua into a paradise for traditional exploiters.

5. Thus, it is very clear that the Chamorro government has maintained a constant policy of aggression against the people and the country's interests.

We all know from experience that when dictatorshisps are not stopped in time, they provoke the sort of confrontations we do not want to experience again.

We fear this could happen again unless we eradicate injustice, unlawfulness, and a disregard for the people's right to housing, land, education, health, and a just salary **now**.

The basis for the FLP program is the belief that we still have time to prevent the people from again having to defend their rights with weapons.

The government actions do not allow us to continue believing in its good will. On the contrary, its ill will or weakness in the face of pressure from the most recalcitrant UNO [National Opposition Union] sectors, and also from the empire, has been proved beyond a doubt.

This is why we can no longer expect this government to change, but we are going to make it change even if it does not want to.

Consequently, the **FLP** declares that as of today it is assuming the political challenge **to force** the government to change its destabilizing and illegal ways. We will do this in a civic manner. We will not use firearms. We will do this armed with the same patriotism, Christian spirit, firmness, and determination exhibited by the heroes and martyrs who defeated Somoza and defended our sovereignty and national independence during the 10 years of imperialist aggression.

Because we want peace, we are fighting to defend justice and the right that people have to housing, land, just salaries, the restoration of democracy, and the prevalence of the law in Nicaragua. Because we want peace, we are making maximum use of the civic struggle that the Constitution guarantees for us.

The Supreme Court has an enormous responsibility in attaining peace and stability in Nicaragua. A climate of stability and social peace will be created to the extent that prompt justice is applied in line with the deadlines established by the law. It is a climate needed to solve the economic crisis and promote the country's development.

It is fine that, although belatedly, the Supreme Court finally acted in regard to the unconstitutionality of Law 11-90. This is a victory that speaks in our favor and strengthens our struggle. It is about time, however, that the Supreme Court stops ignoring other pleas on which it is still silent.

The main FLP objective is to help in the creation of a non-violent culture. We can achieve this only if we can prove the effectiveness of the civic struggle; that is, making arrogant officials give in and forcing them to respect the people's rights and sovereign will.

— We demand the withdrawal or immediate rejection of the bill to abolish **Laws 85 and 86.**

— We demand the immediate and free delivery of land titles to all beneficiaries of **Laws 85 and 86.**

— We demand a fair minimum wage law, job security, the creation of new sources of work, and proprietorship for workers in any possible privatization program.

— We demand that the teachers' just demands be met promptly and satisfactorily.

Miguel D'Escoto Brockmann, National Coordinator of Nicaragua's Community Movement and Coordinator of the FLP

Lucio Jimenez, General Secretary of the Sandinist Workers Federation (CST) and Coordinator of the National Workers Front (FNT)

Ronald Membreno, Jose Angel Bermudez, Sandinist Workers Federation (CST), National Employees Union (UNE)

Edgardo Garcia, Gustavo Porras, Farm Workers Association (ATC), Health Workers Federation (FETSALUD)

Mario Quintana, Carlos Salgado, National Association of Nicaraguan Teachers (ANDEN), Union of Nicaraguan Journalists (UPN)
Felix Contreras, Lily Soto V., National Confederation of Professional Associations (CONAPRO)
Gladys Baez, Carlos Fonseca Teran, 19 July Sandinist Youth (JS19J), Luisa Amanda Espinoza Association of Nicaraguan Women (AMNLAE)

Editorial Views Mexico's Nonintervention Policy

PA3105005391 Managua BARRICADA in Spanish 29 May 91 p 4

[Editorial: "What Happened to the Estrada Doctrine?"]

[Text] Statements made by the ambassador of Mexico to the daily LA PRENSA have caused surprise. Acting in a way contrary to the tradition of Mexico's Governments throughout its history, the ambassador has openly meddled in the domestic affairs of Nicaragua by taking sides in a Nicaraguan political issue.

No one in Nicaragua, including in the Nicaraguan Government, and probably that of Mexico, ignores the fact that Jaime Morales Carazo's claims against former President Daniel Ortega have political, not legal, intentions. The ambassador's allegation that his actions are aimed only at defending the interests of Mexican citizens is flimsy and difficult to sustain.

On the one hand, it is evident that Morales Carazo used dubious financial procedures in 1979 to deplete a private financial firm of its capital, resorting to stock companies to "hide" the property he now is claiming through his relatives. On the other hand, when Morales Carazo was the "covert" representative in Mexico of the armed counterrevolutionaries, the Mexican Government never allowed him to carry out public activities or granted him political status because of his condition as a member of an "irregular" force. At that time, the Mexican Government set the precedent of viewing Morales Carazo, regardless of his Mexican family ties, as a political subject who was acting outside the laws of the constitutional Government of Nicaragua.

Morales Carazo's claims do not represent a problem between Mexico and Nicaragua, but among Nicaraguans, exclusively. Even if a Mexican Foreign Secretariat official authorized Ambassador Galan to check with the Nicaraguan Government regarding the Morales Carazo matter, it is evident by his public statements proclaiming "moral backing" for his protege, the ambassador has gone beyond the limits of a merely administrative undertaking and has intervened in our domestic political affairs.

For more than 60 years, the various Mexican administrations have invariably based their actions on the Estrada Doctrine, which proclaims a policy of nonintervention in the affairs of other states. This has been one of Mexico's most important contributions to international law and to the establishment of the Latin American principle of sovereignty. Because of this, we do not believe that the unfortunate behavior of Ambassador Galan represents the policy of President Salinas de Gortari, and we trust that the current situation will be rectified soon.

The fact that in Nicaragua there are legal procedures to review cases of properties that were unjustly confiscated by the Sandinist government does not make all claims legitimate. To cite an example, we point to the properties being occupied by the Mexican Embassy and by the residence of the Mexican ambassador to Managua. Both were confiscated from notorious Somozist officers,—General Herberto Sanchez and Colonel Humberto Corrales, who was a partner of Morales Carazo—and later donated to Mexico by the Sandinist government.

It would be very incongruent to now disregard, in the case of the confiscation of the Morales Carazo property, the legitimacy of a Sandinist government action that Mexico had acknowledged earlier as legitimate, unless Ambassador Galan, spontaneously and without the authorization of Mexico, now decides to return these properties to the Somozists.

Panama

Minister Denounces U.S. Campaign Against Endara

PA3005181791 Panama City LA PRENSA in Spanish 29 May 91 p 1A

[Report by Althea Foster de Chavarria]

[Text] Panamanian Foreign Minister Julio Linares has denounced the fact that some U.S. congressmen and newspapers are trying to mount a discrediting campaign against President Guillermo Endara, who they associate with the "laundering" of drug trafficking money.

"I can say that U.S. newspapers insistently link the name of President Guillermo Endara to money laundering, as do U.S. congressmen and officials who have made inexact statements to the extent that it appears as if this is the product of a campaign," Linares noted.

The diplomat added that the things said in this campaign are "totally false," because "the United States does not have the elements to judge whether there is more money laundering now than during the Noriega regime or whether there is more drug trafficking."

He said that Robert Martinez, known as the U. S. drug czar, said his office does not have the specific facts that would permit him to say that there is more "laundering" of money or more drug trafficking now.

Nationwide Poll Views Role of PDC in Alliance

PA3105040391 Panama City LA PRENSA in Spanish 29 May 91 p 1A

[Report by Nubia Aparicio S.]

[Excerpts] A large percentage of the population believe that the removal of the Christian Democratic Party [PDC] from the governing alliance has been negative for the country. Meanwhile, a large number of people think that the opposition being waged by the PDC is positive for the democratic system, because "it is serious and responsible."

According to a nationwide poll conducted by the Dichter and Neira Company, 51.2 percent of the population believe that the break in the ruling alliance was negative for the country, while an estimated 43.8 percent claim that the opposition being waged by the PDC is positive for the country's democratization.

Meanwhile, 35.5 percent of those polled argue that the removal of the PDC from the alliance was positive for Panama, while 33.9 percent consider that the opposition being waged by the PDC is negative for democracy, because it is "demagogic and opportunistic."

This survey is based on 685 telephone calls that were placed between 25 and 26 May. The questions were posed to individuals over the age of 18 who identified themselves as being residents of the Republic of Panama. [passage omitted]

According to the results, most people disagree with the break in the ADOC [Civic Democratic Opposition Alliance].

The poll concluded that both men and women disagree with the split in the alliance and, comparing the results obtained in different cities, the negative reaction to the break in the ADOC among Panama City residents was greatest.

PDC Would Not Support the Draft Bill Reforming the Social Security Fund

The survey also revealed that a large number of those polled believe that the PDC would not support the draft bill reforming the Social Security Fund (CSS). This result was evident among both men and women.

According to the poll, 46.4 percent of those polled argue that the PDC would not support reform to the law that regulates the CSS. [passage omitted]

Comparing the results obtained in different cities, most people polled in Panama City think that the PDC would not support the aforementioned draft bill, while in other cities the public opinion is divided over the issue.

Those polled were also asked whether the PDC would support the constitutional reform bill eliminating the Defense Forces, regardless of the fact it may be presented by the government. In response to this question, 46.7 percent of the people replied positively, while 36.1 percent voiced the opposite opinion.

According to the aforementioned statement, most people believe that the PDC would support the constitutional reform bill eliminating the Defense Forces. Nevertheless, some sectors highlighted that before the break up in the ADOC, the PDC had not done enough to demilitarize the country.

In addition, 66.7 percent of those surveyed think that after the removal of the PDC, the National Police will remain unchanged, as opposed to 21.8 percent who claim that the National Police will become demilitarized.

Asked whether the PDC would support the repeal of the press laws enacted by the dictatorship, regardless of the fact that this proposal may be presented by the government, 43.9 percent responded affirmatively, while 38.8 percent answered negatively.

Search for Colombian Guerrillas Announced

PA3105034991 Panama City ACAN in Spanish 1528 GMT 30 May 91

[Text] Panama City, 30 May (ACAN-EFE)—Patrols of the National Police and of the Judicial Technical Police [PTJ] of Panama are searching for an alleged group of 40 Colombian guerrillas near the border, PTJ Deputy Director Jaime Abad told reporters today.

According to the official, the presence of the alleged rebel group was denounced by inhabitants of Darien Province on the border with Colombia.

The inhabitants said that guerrillas of the neighboring country frequently cross over to Panama whenever they are being pursued by the Colombian Army.

The border zone between Colombia and Panama is scarcely inhabited and largely covered by dense jungle, which has won it the name of "Darien Gap," being an area that is very difficult to patrol.

Report Denied

PA3105044291 Panama City Circuito RPC Television in Spanish 2300 GMT 30 May 91

[Excerpts] Major Dario Arrue, deputy director of the National Police, has denied the presence of guerrilla groups in the border area with Colombia. An ACAN-EFE report this afternoon said that there were Colombian guerrilla groups in the Panama-Colombia border area. [passage omitted]

In light of this report, we interviewed Maj. Dario Arrue and he denied there were any such groups in the Darien area.

[Begin Arrue recording] The information we have is that there is a group of approximately 40 persons who are lumbering wood in the Manine area, close to the border. There are reports that they have weapons. We have not been able to confirm these reports.

We are surveilling the area to verify the information. We cannot talk about guerrillas because we have no information to that effect. [end recording]

Maj. Arrue did not rule out the possibility that guerrilla groups coming from Colombia enter and leave the Darien area.

[Begin recording] [Arrue] We are first checking out that report before we conduct any operations.

[Unidentified reporter] Are you currently in the area?

[Arrue] We are close to Manine. We have units posted at the border that are conducting reconnaissance operations to verify the report. [end recorded]

In conclusion, Maj. Arrue pointed out that the National Police has logistics problems in the area seeing as it only has four or five men in the region.

Ministry Comments on Ambassador to Argentina

PA3105002491 Panama City EL SIGLO in Spanish 29 May 91 p 6

[Article by Yali Enrique Pitti]

[Text] The Panamanian Foreign Ministry has decided to "recall for consultation" its Ambassador to Argentina Pedro Escalona Rios pending investigations related to illegal car imports and sales in Argentina, supposedly using diplomatic privileges.

According to information provided by Foreign Vice Minister Jose Raul Mulino, once the investigations in Argentina on Ambassador Pedro Escalona Rios have concluded, "Foreign Minister Julio Linares will personally review the results of the investigation in order to arrive at a final decision."

Vice Minister Mulino indicated that "neither the minister nor I will condone any type of corruption in the Foreign Ministry." He added that due to the delicate nature of Ambassador Pedro Escalona Rios' predicament in Argentina, "it deserves a thorough investigation."

He stated that as long as the investigations continue, the Government of Panama has decided to appoint a charge d'affaires who will be replaced by a minister counselor in order to provide the diplomatic mission with a better status while the situation is being resolved. Meanwhile, EL SIGLO learned on 28 May that Ambassador Pedro Escalona Rios has not been arrested. He is being investigated for introducing and selling luxury cars to the Republic of Argentina by making illegal use of his diplomatic rights.

PRD Legislator's Son Implicated in Attack

PA3005231091 Panama City EL SIGLO in Spanish 30 May 91 p 49

[Report by Aneldo Arosemena]

[Text] The son of Gerardo Gonzalez, legislator and president of the opposition Democratic Revolutionary Party (PRD), is behind bars after it was confirmed that he was responsible for the 8 April terrorist attack against the Arnulfista Party headquarters.

Pedro Gonzalez, 32, son of the PRD politician, was arrested after a Panama University security guard identified him from a police lineup as the occupant in the vehicle used for the attack and which was later abandoned on the university premises.

The attack on the Arnulfista Party headquarters was staged in the evening by unidentified persons who opened fire with 9-mm guns against the political party headquarters and sped away in a Land Cruiser.

Since the attack occurred a few hours after President Guillermo Endara announced the expulsion of the Christian Democratic Party from the government and its departure from the government alliance, it was speculated that the persons responsible for the terrorist attack could be Christian Democrats.

Argentina

Di Tella Views Regional Military Concerns

PY3105004491 Buenos Aires CLARIN in Spanish 29 May 91 p 5

[Text] Foreign Minister Guido Di Tella has rejected reports of an alleged arms race with the Chilean Armed Forces. Ironically he added that the "envy" of Chilean or Brazilian officers by their Argentine counterparts "is grotesque and from an archaic past."

Di Tella's opinion strengthens the government position outlined by President Carlos Menem, who said that there should be no reason to think of an armed conflict in the region, "or in any other place, in the wake of what had happened in the Persian Gulf and of the position adopted by the United Nations."

Di Tella rejected reports referring to an uneasiness among Chilean military officers regarding the project to build a gas pipeline between Neuquen and the central region of Chile. He also denied other references to an alleged state of "defenselessness" of the Brazilian Armed Forces as compared to those of Argentina.

Speaking to foreign correspondents, Di Tella said yesterday that General Augusto Pinochet in his recent trip to Great Britain "probably wanted to purchase weapons, but we are not aware that he made any purchases." Referring to one of his controversial projects, he said that there is interest in Latin America in an agreement for the reduction of conventional weapons similar to the agreement recently reached with Brazil for mutual controls to prevent the manufacture of nuclear weapons.

He added that Argentina and Brazil are members of the Mercosur [Southern Cone Common Market] and that there is a project to increase integration with Chile, a project that will probably be signed during the visit President Patricio Aylwin will make in September 1991. He added that Argentine foreign policy is based on the fact that "our prosperity coincides with that of Brazil and Chile."

Some 30 Justicialist Party deputies have asked Foreign Minister Di Tella to amend his message "to the people," and they added that he should not repeat the controversy regarding the intention to withdraw Argentina from the Nonaligned Movement.

This meeting has had an unexpected outcome, because the foreign minister was supposed to talk only with members of the Justicialist Party bloc. As soon as he arrived, Di Tella said that the situation must be reassessed "because it doesn't make sense to remain in Nonaligned Movement." He made a similar statement at the end of the meeting when he was asked whether there was a contradiction between the pragmatism he often mentions and staying in the Nonaligned Movement.

The deputies questioned the minister's actions although they praised his message to the people regarding the conflict prompted by the U.S. sales of subsidized wheat to Brazil. Di Tella also referred to the idea of turning the Condor-2 into a project for peaceful purposes and to issues on regional integration.

IDB, World Bank Loan to La Pampa for Reform

PY2805200591 Buenos Aires Radio Nacional Network in Spanish 1600 GMT 28 May 91

[Summary] During a news conference, La Pampa Governor Nestor Rufino Enrique Ahuad announced that the IDB [Inter-American Development Bank] and the World Bank have granted a $7.23 million loan to this province that will be used to finance the administrative reform of the local government.

Iranian Commerce Minister Meets With Menem

LD3105052191 Tehran IRNA in English 1017 GMT 30 May 91

[Text] Buenos Aires, May 30, IRNA—Commerce Minister 'Abdol Hoseyn Vahaji wound up a three-day official visit to Argentina and left for Tehran Wednesday.

The Iranian minister heading a high-ranking economic delegation arrived in Buenos Aires last Sunday at the final leg of his three-nation tour. He earlier visited Brazil and Uruguay.

While here, Vahaji met with Argentine President Carlos Menem and submitted a message from President Akbar Hashemi-Rafsanjani. He also held two rounds of talks with Argentine Economic Minister Domingo Kavallo and toured several industrial centers in Cordoba Province.

The Argentine president in the meeting called for boosting Tehran-Buenos Aires relations in political, economic, and cultural domains. He assigned the economic minister to follow up the efforts aimed at deepening and broadening bilateral trade ties.

In talks between Vahaji and Kavallo, both sides decided to study the possibility of exporting Argentine wheat, textile, wool, paper, wood, and subway cars to Iran in exchange for import of hand-woven carpets and non-oil products from Iran.

Subway Proposal Announced

PY3005130991 Buenos Aires TELAM in Spanish 1939 GMT 29 May 91

[Text] Buenos Aires, 29 May (TELAM)—Argentina could participate in the construction of a four-line subway system that is being built in the Iranian capital. This operation could be worth $600 million to Argentina.

The Iranian proposal, which was also made to a Brazilian enterprise, could be finalized in the next two months when the Materfer railroad factory answers the Iranian Government regarding their production schedule and timetable for delivery. This report was

released during a news conference held by Iranian Commerce Minister 'Abdol Hoseyn Vahaji and Argentine Ambassador to Iran Norberto Auge.

On 28 May, the Iranian delegation, comprising the chairman of the Iranian subways enterprise and a group of businessmen from the steel, cellulose, and lumber sectors, visited the Materfer plant in the Pereyra neighborhood of Cordoba Province.

The Iranians delivered the specifications to the Materfer directors. Within 45 to 60 days the Argentine company will answer the inquiry.

Source close to the negotiators said that the operation will yield nearly $600 million to Argentina if just a single enterprise manufactures 100 cars and another 500 with Iranian enterprises.

A four-line subway system is being built in Iran, for which 270 cars will be needed. These cars will be manufactured abroad, while another 500 will be assembled by enterprises in the Iranian capital.

It has been reported that Canadian, Italian, and French enterprises have reportedly bid for track, rolling stock, and control equipment among other items. These offers may be rejected by Iran due to the high prices.

Diplomatic sources close to the delegation have reported on a possible visit by President Carlos Menem to Iran "in 1991 or 1992" within the framework of the bilateral relations promoted by officials of the two countries."

As for the visit of the Iranian delegation, Hoseyn Vahaji said: "The visit was not just for commercial purpose, it was also aimed at strengthening existing relations and establishing the basis to level the balance of trade, which is favorable to our country."

The Iranian economic officials seek to initiate steps so that Argentina can become a potential market for the supply of carpets, dried fruits, and urea fertilizers, to "partly" compensate for the great amount of products that Iran buys from Argentina.

Argentina exported to Iran wheat, corn, soybean, soybean oil, soybean pellets, rice, sunflower, iron products, and paper pulp, among others, worth a total of $490 million during 1990.

Through the Foreign Trade Under Secretariat, Argentina is trying to sell on the Iranian market woolen "tops," [previous word given in English] which is semi-processed wool that is sold under severe restrictions in Iran.

Brazil

Iran's Velayati, Delegation Arrive for Visit

LD3005211391 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1930 GMT 30 May 91

[Text] According to the Central News Unit, Foreign Minister Velayati, head of a political delegation, arrived at the Brasilia Airport on Thursday morning. He was greeted at the airport by the foreign minister of Brazil, Mr. Rezek, the ambassadors of Islamic countries to Brazil, the deputy foreign minister of Brazil and a number of that country's Foreign Ministry officials.

Meets Rezek

NC3105082791 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0330 GMT 31 May 91

[Text] Foreign Minister Velayati who is in Brazil, met with his Brazilian counterpart Mr. Francisco Rezek yesterday and discussed matters of mutual interest.

During this meeting, the Brazilian foreign minister described Velayati's visit to Brazil, which is the first such visit after the victory of the Islamic Revolution, as a turning point in the relations of the two countries and stated: Brazil attaches special importance to the expansion and consolidation of its relations with the Islamic Republic of Iran, among the most important countries in the Persian Gulf. He pointed out that, in view of the potential of Iran and Brazil, the relations of the two countries can be expanded in all fields and that the exchange of delegations plays an important role toward achieving this goal.

Velayati was also briefed on steps taken for the formation of a common market in South America, and requested that during the UN General Assembly session this fall a joint meeting be held between the foreign ministers of Latin America and our foreign minister in New York.

Mr. Velayati pointed to the need to consolidate and to expand bilateral relations in all fields, and expressed satisfaction that the two countries have taken important steps toward the consolidation of bilateral relations. He also explained the Islamic Republic of Iran's stances on the important issues in the Persian Gulf region, on the problem of the Iraqi refugees, on the Palestinian problem, and on the Lebanese situation.

Visits Rehabilitation Hospital

PY3105024891 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 30 May 91

[Excerpts] A Brazilian hospital may export health technology to Iran to aid the treatment of those wounded in war. The Iranians, particularly Iranian Foreign Minister 'Ali Velayati, who is a pediatrician, may be interested in an entire hospital, such as the Sara Kubistchek Hospital in Brasilia. This hospital is the most advanced physical rehabilitation center in Latin America. In addition to hospital projects, Iran could also receive Brazilian experts.

The first stage of a possible exchange between the two countries could be training of doctors. Iran has an acute shortage of orthopedists and rehabilitation experts. After

eight years of war with Iraq, there are nearly 600,000 crippled people in Iran, most of them with spinal injuries. [passage omitted]

The Sara Kubistchek doctors hope that an agreement with the Iranian Government will be signed this year. To this end, a Brazilian mission, headed by Infrastructure Minister Joao Santana, will probably visit Tehran in the beginning of July.

* Petrobras Head Discusses Goals, Reorganization

91SM0304A Sao Paulo EXAME in Portuguese
17 Apr 91 pp 28-30

[Interview with Alfeu Valenca, new president of Petrobras, by EXAME Rio de Janeiro editor Guilherme Barros; conducted during the week of 7 April, place not given: "Self-Sufficiency May Be Near"; first paragraph is EXAME introduction]

[Text] After a turbulent period marked by two abrupt changes of company president—Luis Octavio da Motta Veiga firing parting shots against the government and Eduardo Teixeira taking over the post of minister of the infrastructure—Petrobras is getting ready for calmer days ahead. Alfeu Valenca, the third Petrobras president in this administration's tenure of just over one year, came up through the ranks. He has been with Petrobras for 23 years. Before his selection was announced, several other names had been considered, but the internal solution prevailed. A native of Pernambuco State, Valenca, who is 46, married, and the father of two daughters, is a cousin of singer and composer Alceu Valenca. Since he earned his civil engineering degree, Valenca has never had any other employer. His years of living with the company's problems give him the confidence, although a rookie in his present post, to promise achievements. His main goal is to reach the end of this century, less than nine years away, with a daily production of 1.5 million barrels of petroleum that will assure Brazil of self-sufficiency in this respect. With Valenca, Petrobras is also inaugurating a new management model that will give it more autonomy than state corporations usually enjoy. "The company will start operating like a private company," the new president said. "The government should monitor its performance from a distance." Last week, Valenca received Guilherme Barros, EXAME editor in Rio de Janeiro, for the following interview:

[EXAME] What are your goals as head of Petrobras?

[Valenca] Our biggest objective is to bring production up to the level of 1.5 million barrels a day by the end of this century. That would ensure our self-sufficiency. But we will get there in stages. In 1994, for example, we plan to be producing 1 million barrels a day. Now, in May, we should break the 700,000-barrel barrier. Actually, we plan to surpass those goals ahead of schedule. The management contract should be one of the biggest motivating factors.

[EXAME] What sort of contract is it?

[Valenca] It will list the obligations of both the company and the government. It will set goals to be met in terms of costs, investment, production, refining, and operating income. At the same time, it will provide that the government must follow the price policy agreed on in the contract; otherwise, it will not be able to demand that the company meet its goals. Under the management contract, Petrobras will begin to function as though it were a private company in which the majority shareholder, the government, will monitor its performance from a distance. Until now, Petrobras has been setting its own goals, but every time it needed to take any initiatives—such as asking for a foreign loan or hiring someone, it had to appeal to the government. Under the management contract we will be free to make those decisions without having to consult our majority shareholder every minute.

[EXAME] The authorization that the government has given Petrobras and Vale do Rio Doce Company (CVRD) to negotiate directly with their creditors concerning their overseas debts without going through the Central Bank—was that a step in this new phase?

[Valenca] In part. The government has already acknowledged that there are companies that are losing money and others that are earning profits. Our contribution, like that of CVRD, has been positive for the government. That is why we were freed from having to register our transactions with the Central Bank. This will certainly make it easier to obtain new loans outside Brazil, although our external lines of credit for purchasing petroleum or equipment have been kept open.

[EXAME] If Petrobras had already had all this autonomy, would former President Luis Octavio da Motta Veiga have lost his job for refusing to make a loan?

[Valenca] That episode should not have had the kind of repercussions it did have. What happened was that Petrobras Distribuidora received a request for a loan, but did not close the deal because it did not think the proposal was a good one. However, the negotiations with VASP [Sao Paulo State Airlines] are still going on today. There is still no agreement, because VASP has not agreed to the price that we thought was reasonable. For the time being, the negotiations are being held within Petrobras Distribuidora. The proposal will not be submitted to the board of directors until the customer agrees to a margin of profitability that Petrobras considers ideal.

[EXAME] Will the management contract also bring more stability to the office of president of Petrobras?

[Valenca] I do not know whether I will have much peace and quiet under the management contract. I might even have more to worry about. Now there is no way to concoct results. I will actually have to produce them. We will have to work very hard, especially because we set those goals ourselves, and they are challenging ones. Since I have confidence in the efficiency of this firm, I have no doubt they will be met, even ahead of schedule. All I can say about the continual changes that have been

occurring in the presidency of Petrobras is that the company has a majority shareholder, an owner. In our case, it is the government. It has every right to replace people as it sees fit, whenever it wants to.

[EXAME] How can you be sure that Petrobras is efficient, since it does not have any domestic competition?

[Valenca] We do have competition from foreign companies. If we were not efficient, we would have gone bankrupt despite the monopoly. The price the government is paying us is the same as the world market price. That is good for us, because it forces us to be more and more competitive in our cost structure in order to increase our margin of profit and be able to invest. We use foreign companies as our competitive parameter.

[EXAME] What are those parameters, and how does Petrobras stack up in that comparison of results?

[Valenca] We compare indices of productivity and discovery per well drilled, cost of barrel produced, and cost of refining. By all these standards we come out very well. One of our best indices refers to discovery of petroleum at sea, which is 50 percent. This means we find oil in one out of every two wells drilled. The world index is about 20 percent. Our performance on land is 30 percent, also higher than the world average. Our cost of production, about $15 to $17, is also below the world average, which is $19. Another good demonstration of our efficiency is provided by the experience with the risk contracts. During the period when those contracts were in effect, while the foreign companies recorded only one minor discovery—by Pecten, in the Merluza field in the Santos basin—we simply tripled our production, from 180,000 to 600,000 barrels a day.

[EXAME] But didn't the foreign companies get the worst sites for prospecting for petroleum?

[Valenca] The sites were not that bad. There was no way we could have drilled everywhere in Brazil looking for oil, and there was no money to do it. We had to prioritize our investments. We, too had very good indications about the Campos basin at the time, and that is why we could not include it in the risk contract. Otherwise it would not have been a risk contract, but a free gift. But the foreign companies went to other basins and did not find anything. Three years ago, we drilled in the Santos/Parana basin, 1 km away from the site that British Petroleum and Texaco had explored, and we found three fields—with the potential to become another Campos basin. And while some companies drilled in Amazonia without finding anything, we discovered the Urucu field there.

[EXAME] If Petrobras is so efficient, then in what ways should it change?

[Valenca] The entire organizational structure of the company, its directors, its departments, the way its divisions and bureaus operate, needs to be modernized. It was all set up at the start of the 1970's and the world has changed a lot since then. Today, operations must be more responsive. When the structure of this company was built, computers did not even exist. We have to adapt the company to the technological progress that has been made in the world, especially in communications. Furthermore, we must also foster a high degree of decentralization in order to give the man on the front lines on the drilling platforms or in the refineries more decision-making power, to make company operations more responsive and flexible.

[EXAME] Are these the basic objectives of the administrative reform that has been under way since January?

[Valenca] The purpose of the reform is to make a detailed diagnosis of every area in which Petrobras is active. You cannot predict the results of this reform. The commission has been given one year to deliver its final report, and until then it is difficult to guess what might happen. I would not be shocked, for example, if it were concluded that certain changes are needed in the channels of communication and in some manuals of procedure. In general, however, the organizational structure is excellent and it is doing its best. The most important thing is to instill throughout the company the need for people to continually keep abreast of developments and constantly try to rationalize costs. Even though the diagnosis of the company will not be ready until next January, we will already be taking steps to modernize it before then.

[EXAME] What steps?

[Valenca] Recently, for example, we consolidated the telecommunications and data processing departments, thereby eliminating 35 supervisory positions. The engineering bureau undertook a minor reform last December that eliminated 133 supervisory positions, or 56 percent of the total. In the drilling division, 25 supervisory jobs were also eliminated, and 100 more will be abolished in the restructuring that has been going on since last year.

[EXAME] Do you think there are too many people at Petrobras?

[Valenca] My impression is that the figure today is about right, that the company is well-balanced. I know of no part of Petrobras that has too many people. We have 55,000 employees, but do not forget that we cover all of Brazil, from Alto Amazonas to Rio Grande do Sul. Then there are the seismic teams who work in the interior regions of Mato Grosso and Goias, where Petrobras has no permanent installations.

[EXAME] The internationalization of Petrobras is also part of the goals outlined by the company. How will this be handled?

[Valenca] In various ways. One of them is through the sale of technology for exploiting deep-water oil wells. This is know-how that no other country in the world possesses. Incidentally, in May some of our technical people will attend the big petroleum fair held every year

in Houston, in the United States, and will try to sell that technology. It is very much needed in the Gulf of Mexico and the North Sea, for example. There are many companies that are now drilling in deep water and might buy that technology from Petrobras.

[EXAME] What are the other steps involved in internationalizing the company?

[Valenca] We are going to distribute petroleum derivatives in other countries and act on the futures market for petroleum contracts. Our participation in the futures market for commercial paper will keep the company from suffering the effects of abrupt changes in world market prices. When we make our plans, we forecast certain price levels for petroleum, but with those fluctuations, we often have to revise them. We cannot go on just putting out fires. By acting in the futures market, we will guarantee relative stability in our planning.

[EXAME] What plans are there for Petrobras to work outside of Brazil?

[Valenca] We are already producing gas in the United States, and in July we will start producing petroleum through Braspetro. We also have oil production facilities in Angola and in the North Sea, on the British side. So there is already a little bit of Petrobras out there, and our intention is to increase that role.

[EXAME] Isn't there a risk that Petrobras will bite off more than it can chew?

[Valenca] No. BR Distribuidora [Petrobras's retail sales division], for example, works in a highly competitive market in Brazil, where it competes with powerful companies such as Shell and Texaco. Yet we have a bigger market share than either of them individually.

[EXAME] But, in that battle for market share, doesn't BR enjoy some privileges because it is a government corporation?

[Valenca] On the contrary. Precisely because it is a state corporation, BR goes where no one else wants to go. Only BR is active in areas like the interior of Amazonas or Maranhao states, where profit margins are very low. We have an obligation to supply the whole country and so we even have floating gasoline stations, like the ones in Amazonas. They do not operate at a loss, but the profits are minimal and you won't find any other flag in that region.

[EXAME] How does Proalcool [Alcohol Production Program] fit into your plans?

[Valenca] Proalcool now produces 200,000 barrels a day, and our objective is to maintain that production volume. It would not make sense, now, to abolish Proalcool after all that has been invested in it, including the government subsidies. The objective was to reach a point of equilibrium in the production of alcohol that would not affect the production of gasoline. That point has been reached. Actually, Petrobras never had any intentions of abolishing Proalcool.

[EXAME] Are you a corporativist?

[Valenca] When I assumed the company presidency, a certain newspaper said this would not change anything at Petrobras—that, on the contrary, the company would become more corporativist now that a president who had been trained in-house was taking over. That same day, a union bulletin came out that called me all sorts of names—saying that I was a slave driver, too demanding, and that I would refuse to rehire the employees who were fired during the strike. How can you call a company president corporativist when he was attacked by the union as soon as he took office?

[EXAME] So there is no corporativism in the company?

[Valenca] I do not think that criticism can be fairly leveled at Petrobras. What they are calling corporativism is the circumstance that the employees like what they are doing. On the contrary, that is precisely what we need to do—encourage people to like what they are doing and to take pride in the company. If employees all over the world were proud of the companies where they work, perhaps the world would be a much better place. That spirit is what I perceive here at Petrobras.

Chile

FPMR Official on Start of 'Political Movement'

PY3105021691 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 31 May 91

[Text] The Manuel Rodriguez Patriotic Front [FPMR] will become a political movement as of 31 May. This information was provided to this television program in an exclusive interview by Alfredo Malbrich, who is the front's spokesman. Malbrich is one of the political prisoners who escaped from the public jail last year.

Dozens of tons of arms were brought into the country through the Carrizal Bajo sector in 1986. When the operation was discovered, Prosecutor Fernando Torres Silva carried out an investigation which led to the arrest of several people involved in this action. Alfredo Malbrich, 40, was one of them. Before joining the front, Malbrich was a computer programmer. Malbrich was among the 43 political prisoners that escaped on 29 January 1990. He is currently underground. Tomorrow, FPMR will officially begin its process of insertion into the country's political life.

[Begin recording] [Reporter] What has the FPMR decided?

[Malbrich] We will continue the struggle we began on 14 December 1983 against the dictatorship and for democracy.

[Reporter] How are you going to do that? Is a movement going to be created?

[Malbrich] A movement will be created. The official announcement was made on 15 April in a public declaration which we will soon ratify.

[Reporter] Do you expect to have the support of the Chilean people?

[Malbrich] Yes, of course. We expect to have the support of those who saw in the FPMR a legitimate option for struggle against the tyranny of General Pinochet.

[Repoter] Has the FPMR abandoned armed struggle?

[Malbrich] The FPMR never spoke of an armed struggle. It spoke of the legitimacy of the use of armed struggle under a dictatorship.

[Reporter] For example, do you expect to keep in contact with leaders of the Coalition of Parties for Democracy?

[Malbrich] We do expect to have relations with all democrats who opposed the dictatorship.

[Reporter] And with the opposition?

[Malbrich] We have nothing to talk about with those who supported the dictatorship. [end recording]

Malbrich also announced during the interview held someplace in Santiago that on 31 May the FPMR national leadership will give more details on its transformation into a political movement.

Communists, MIR, Socialists Create New Front

PY3105030091 Santiago Radio Nacional de Chile Network in Spanish 1130 GMT 30 May 91

[Text] The Communist Party of Chile [PCCh], the MIR [Movement of the Revolutionary Left], and a Socialist Party faction will form a new front.

The announcement was made at a news conference during which leftist leaders said that the purpose of the new front will be to promote mobilizations, support political protests, and prepare for the upcoming elections. PCCh leader Jose Sanfuentes said that he does not believe that the government will oppose all mass mobilizations. MIR representative Patricio Rivas said that Manuel Rodriguez Patriotic Front [FPMR] militants who surrender their arms need political space. Rivas said that the front thinks it is essential to support democracy and provide channels for the FPMR to express its known opposition to the privatization of railroads and its support for certain demands of political prisoners.

Socialist leaders Robinson Perez and Jaime Duran said that the front will be open to all sectors and that the autonomy of other political groups will be respected.

Socialist Party Central Committee Member Resigns

PY3105014891 Santiago EL MERCURIO in Spanish 11 May 91 pp C1-C7

[Text] The plenum of the Socialist Party of Chile [PSCh] Central Committee has unanimously accepted the resignation of Deputy Mario Palestro as member of the PSCh Political Committee. Palestro made the decision to resign after his harsh criticism in the past few weeks of the policies and leaders of the PSCh.

PSCh President Jorge Arrate said that Palestro's situation "cannot be regarded as an expulsion from the PSCh, but as a voluntary resignation from the Political Committee, that has been accepted."

Center Center Party Leader Denounces Attacks

PY3005230691 Santiago Radio Chilena Network in Spanish 1700 GMT 30 May 91

[Text] The Center Center Union Party [UCC] has stated that no terrorist action will weaken its commitment to values like unity, peace, and progress. In a public communique, UCC Secretary General (Valdemar Cortes) denounced the insane action of political violence perpetrated by the Lautaro Youth movement against two UCC leaders.

In the communique, the UCC urges the government to make a definitive decision about the serious situation caused by the political violence, which is the result of the great disappointment and desperation of important sectors of Chilean youth, among other things. The UCC states that its members firmly support the principle of tolerance but they admit that it is paradoxical that one cannot be tolerant with those who are intolerant.

The UCC adds that no terrorist actions will weaken them. On the contrary, they will strengthen rather than destroy them.

UCC leaders Carlos Arroyo and (Sara Causachena) were attacked on Maipu Street as they were about to get into Arroyo's car.

Security Council Approves Bill on Foreign Troops

PY3005000791 Santiago LA TERCERA DE LA HORA in Spanish 23 May 91 p 7

[Excerpts] The National Security Council [CSN] has unanimously approved, article by article, a draft bill regulating the entry of foreign troops into the country and the exit of Chilean troops from the country.

The decision was approved during a CSN meeting in La Moneda Palace presided over by President Patricio Aylwin. The ministers of the interior, foreign relations, defense, and finance, as well as the Armed Forces commander in chiefs, the presidents of the Senate and the Supreme Court, and the national comptroller general attended the meeting.

The first one to leave was Senate President Gabriel Valdes who told reporters: "[passage omitted] You know that we have the Unitas exercises. Sometimes troops must leave for protocol reasons, or foreign troops might visit us for celebrations. All this has been only vaguely regulated and it needed a more precise definition." [passage omitted].

Colombia

Pablo Escobar Announces 'Intention To Surrender'

PA3005230291 Paris AFP in Spanish 2239 GMT 30 May 91

[Text] Bogota, 30 May (AFP)—Pablo Escobar, the top "capo" of Colombian drug traffickers, announced on Thursday, 30 May, his intention to surrender and submit himself to justice.

Escobar, chief of the Medellin Cartel and leader of the clandestine and violent group called "the Extraditables," made public his decision to turn himself in by sending a signed, written message with his fingerprint to the privately run Caracol radio station.

Government Rejects Conditions

PA3005190891 Bogota Inravision Television Cadena 2 in Spanish 1801 GMT 30 May 91

[Text] Regarding recent media reports on some alleged conditions demanded by Pablo Escobar for his surrender, the national government has just issued a statement noting that it will not accept Escobar's alleged conditions and stresses that he will receive the same treatment accorded to other drug traffickers who surrender and seek the protection of Colombian justice.

Escobar Refutes Conditions

PA3005235691 Bogota Emisoras Caracol Network in Spanish 2304 GMT 30 May 91

["Message to the public" issued by Pablo Escobar Gaviria; place and date not given—read by announcer]

[Text] To the general public regarding a false report published on 30 May by a sensationalist Bogota newspaper:

1. Doctors Gustavo Salazar Pineda and Ramiro Irving Garces are not my lawyers, nor have they ever been. I am confident that they have never visited any government official to make consultations regarding my possible surrender before the Colombian authorities.

2. I have not established any preconditions to the authorities, other than those that any citizen might demand from the justice system and the government.

3. Only one lawyer, just one, whose name is different from those mentioned by the newspaper EL ESPECTADOR, has made consultations regarding jail security and the respect for my human rights and life, as the basic rights during the period of confinement.

4. Neither my lawyer, nor I, nor anybody else has mentioned the names of the police offices and the DAS [Administrative Department of Security] cited by the newspaper.

5. I have not asked for a presidential pardon, nor have I requested [words indistinct] suspension of operations, closed- circuit television, air-defense systems, or radar. I have never requested that armored protection be installed in the jail.

6. I have not asked to be exempted from any legal case, nor have I requested the legalization of money or property.

7. I hope to receive the benefits of Decrees 2047, 3030, and 303 in strict adherence to the law, and I fully understand that the enemies of peace and the strengthening of Colombian justice exist.

8. I urge [words indistinct] Bernardo Guerra, Ramiro Irving, Gustavo Salazar, as well as the government officials involved in the publication of this false report to publicly clarify this matter.
[Signed] Pablo Escobar Gaviria

Gaviria Notes Monetary Measures To Remain

PA3105035091 Bogota EL TIEMPO in Spanish 24 May 91 pp 1, 8A

[Report by Carlos Pineros]

[Excerpt] The drastic monetary measures that the government has adopted to control inflation, which according to some sectors are leading the economy to a recession, will not be canceled until inflationary tendencies are eliminated.

The government will be inflexible in this regard and there will not be any kind of compromise, although there will be a dialogue.

This warning, which was received with surprise by more than 100 delegates to the convention of the Colombian Banking Association, was made by President Cesar Gaviria during his speech at the opening of the event.

After noting that his government's economic policy is open for discussion with the various sectors, Gaviria stated the commitment to decrease inflation will not be eased: "We are not going to listen to those who want to lead us to the cliff of uncontrollable inflation."

The production sectors, including the National Association of Industrialists, The National Federation of Businessmen, the Colombian Chamber of Construction, and the Colombian Banking Association, believe that money circulation controls must be slackened now.

The government, on the contrary, believes that the adjustment is suitable because, according to President Gaviria, experiences of other countries clearly show that if inflation

is not lowered, the implementation of other programs, such as an economic opening, would be useless.

According to the chief of state, measures aimed at structural reforms, dynamic production, and social transformation would not be effective either if an inflationary spiral in the economy is tolerated.

The president said that the impact of the monetary policy could be considerably softened if businessmen were to acknowledge that they should act as partners of the government in this endeavor and stop anticipating the possibility of a flexible and moderate anti-inflationary policy.

Gaviria noted: The most sensible thing for businessmen to do would be to admit that demand is diminishing and to moderate their expectations to make possible less drastic, and more suitable, adjustments.

According to the president, this would be the true spirit of what the government views as a pact that would permit a rapid reduction of inflation without having to pay the price for further restricting the economy.

President Gaviria also annouced that entities that went to the state sector as a result of the financial crisis of 1982 will be privatized in the next few weeks.

Right now the state owns 70 percent of the financial sector's capital. The highest percentage of state ownership is in the bank sector, with 83 percent.

Right now the state owns the Bank of Colombia, the State Bank, the Bank of Commerce, The Trabajadores Bank, and the Tequendama Bank. The latter two are the ones "ripe" for sale purposes. [passage omitted]

Report on Recent Government-Rebel Clashes

PA3005180891

[Editorial Report] The following is a compilation of reports on government-guerrilla clashes and activities monitored from Colombian media over the period of 20-28 May:

Bogota Radio Cadena Nacional in Spanish at 1200 GMT on 28 May carries a two-minute report on increased guerrilla activities in Villavicencio, Meta Department. According to the report, the 7th Army Brigade notes that "approximately 200 subversives of the 16th FARC [Revolutionary Armed Forces of Colombia] Front blew up a tollgate in Villavicencio." At the same time, subversives of the 13th FARC Front harassed a police checkpoint in Puerto Caldas and another FARC column attacked the Carimagua Military Base in Puerto Gaitan causing minor damage to the base installations.

Radio Cadena Nacional carries a one-minute report from the same newscast saying that the 5th Army Brigade troops discovered and raided a factory where field equipment and uniforms were made for FARC members who are active in the Middle Magdalena region. The report states that in addition to military uniforms, industrial machinery, and electrical equipment, "the Army seized dynamite, ammunition, textiles, and a printing press." The report adds that four FARC guerrillas, whose identities were not revealed, were captured.

Bogota Inravision Television Cadena 1 in Spanish at 1730 GMT on 28 May carries a one-minute report on the police pursuit of a guerrilla column that staged an attack on the Cali-Buenaventura Highway. The report notes that the guerrillas set up a "checkpoint at Penas Gordas where they blew up vehicle tires, unloaded soda pop from a delivery truck, and attacked a truck that was carrying yeast from Cali to Buenaventura." After shouting antigovernment slogans, the guerrillas attributed the new action to the "commemoration of a new anniversary of the FARC, which has entered its 27th year of armed struggle."

Bogota EL TIEMPO in Spanish on 25 May 91 on pages 1A and 8A carries a 600-word report on recent guerrilla actions. The report states that the "Simon Bolivar National Guerrilla Coordinating Board (CGNSB) staged a new attack over the past few hours against a police convoy in a mountainous region of Sardinata (northern Santander)." The report adds that "seven policemen and three civilians were burned by rockets and bombs" fired by the subversives.

The report also states that CGNSB members and policemen clashed in Antioquia, Cesar, and Bolivar Departments, resulting in three guerrillas killed and two arrested. According to Sardinata Mayor Hermides Moncada, "more than 100 rebels" attacked a patrol led by Lieutenant Nelson Abril Cadena while it was returning from a routine mission in Las Mercedes Corregimiento on 23 May. The report adds that the rebels "blew up the road to prevent Army troops from crossing."

The report states that two guerrillas of the Army of National Liberation and FARC were killed in a clash with Army and police troops in different actions in Bolivar and Cesar Department on 23 May. In addition, one rebel was killed and two were captured when 25 FARC members ambushed a police patrol in La Mina, Atanquez Corregimiento in Valledupar.

The same report states that Cordoba Infantry Battalion troops reportedly killed Osvaldo Santana Giraldo, 18, allegedly a member of the Jaime Bateman column of the Army of National Liberation.

The report concludes by stating that "one guerrilla was killed and another captured in the Lower Cauca and Middle Magdalena regions." The dead guerrilla was identified by the alias of "El Gringo."

Israel's Moda'i Meets Ministers, Businessmen

TA3005141591 Tel Aviv HA'ARETZ in Hebrew 30 May 91 p C2

[Report by Judy Maltz]

[Text] Finance Minister Yitzhaq Moda'i, who is currently visiting Colombia, met with the Colombian finance and foreign ministers yesterday. During the talks, the officials discussed the ways to increase and strengthen economic and scientific cooperation between Israel and Colombia.

Minister Moda'i also met with Colombian Jewish businessmen and discussed a number of specific investments in Israel. Moda'i is supposed to arrive in Venezuela today and from there he will go on to Mexico—before returning to Israel via New York.

Ecuador

Indians Leave Congress Building, Issue Demands

PA3005040891 Paris AFP in Spanish 0037 GMT 30 May 91

[Text] Quito, 29 May (AFP)—Today, hundreds of Indians left the Ecuadoran Congress building after issuing a deadline of 24 hours for the political parties to receive them, or the politicians would be barred from entering Indian communities during the next electoral campaign and the Indians would create their own congress.

The Indians adopted the aforementioned position after a meeting with the leaders of the political parties in Congress failed. At this meeting, the new requests made by the Indians, which are described as urgent and indispensable by the Confederation of Indian Nationalities of Ecuador (Conaie), should have been discussed.

Yesterday, approximately 1,000 Indians took over a chamber of Congress, demanding amnesty for 1,000 Indians who were tried or jailed after the three-day uprising that took place exactly one year ago. In addition, the Indians requested a constitutional reform declaring Ecuador as a multi-nation state.

Congress President Edelberto Bonilla had convened the representatives of the political groups represented in Congress. Representatives of only four of 11 political parties attended the meeting, however, which prompted the Indian leaders to react negatively.

Conaie President Luis Macas said that the Ecuadoran Indians will give the leaders of the political parties in Congress 24 hours to sign an agreement committing themselves to seeking a solution to the Indians' requests.

Macas warned that, should the political leaders fail to meet their demands, the Indians will ban all political parties from entering their communities during the general elections scheduled for next year. If this comes to pass, he did not rule out the possibility of a new uprising in the Indian communities. Macas also announced that the Indians, who, according to him, represent 40 percent of the Ecuadoran population, will create their own congress "to govern themselves."

In May 1990, approximately 150 Indians took over an old church making a series of demands. Six days later, thousands of Indians staged a rebellion that brought the country to a standstill for three days but prompted the beginning of talks with the government, which have been suspended twice. The Indians are now demanding, as a condition for resuming the talks with the government, the resignation of Luis Luna, director of the Ecuadoran Agrarian Reform Institute [Institute Ecuatoriano de Reforma Agraria] (Ierec).

The Indians, who are proposing a list of 16 demands, are urging a solution to the problem posed by peasants without land, among other things. The government has not yet been able to meet their demands.

Meanwhile, the church has begun buying land to give to landless peasants, through a system of flexible credits. The church has received financing from the government resulting from the purchase of the foreign debt.

* Indians Note Presence of 'Paramilitary' Groups

* Events Chronicled

91SM0300A Quito VISTAZO in Spanish 18 Apr 91 pp 77-80

[Report by Mariana Neira and Cecilio Moreno: "Paramilitary Groups for Killing Indians"]

[Text] Following the Indian uprising in June of 1990, the entire country appealed to the government to take concrete measures to soothe tempers. Instead, the authorities have apparently let the situation get out of hand and there is now talk of paramilitary bands and "militarization" which, in the guise of "civic action," seems to be geared toward restoring order in rural areas.

In view of the situation, which is particularly noticeable in Chimborazo and Imbabura Provinces, Congress set up special committees. In Chimborazo, the committee is made up of socialist Segundo Serrano, Gustavo Espinoza Chimbo, from the ID [Democratic Left], and Social Christian Bolivar Cevallos. Representing Imbabura are Diego Delgado, socialist, Xavier Munoz, from the DP [Popular Democracy Party], and Roberto de la Torre, from FADI [Broad Front of the Left].

Problem Generates Divisions

Investigations by the deputies revealed, in the specific case of Chimborazo, that 11 percent of the land is in the hands of landowners, while the rest is owned by Indians. The deputies nevertheless join with the military and the Church in their dramatic description of the situation prevailing among this group of Ecuadorans, a situation that has led to a state of violence which Deputy Serrano attributes to inadequate application of agrarian reform and the corruption of certain officials in IERAC [Ecuadoran Institute of Agrarian Reform and Settlement]: the president of the Agricultural Center and the Chimborazo Chamber of Agriculture, Diego Chiriboga, to land trafficking by a number of Indian leaders; the

regional head of IERAC, Mauro Andino, to landowners and lawyers who stir up confrontations and invasions; Monsignor Victor Corral, bishop of Riobamba, and the parish priest of Tixan, Pedro Torres, both of whom are labeled as communists, and to the fact that Indians want a better life.

But at the very same time that these causes were being debated, fronts were being opened up. Serrano says some 30 percent of all Indians (60,000) are controlled by the evangelists, who are in favor of military raids in rural areas. These two sectors enjoy the favor of landowners.

Another curious fact observed by the deputy is that 90 percent of the Chimborazo Indians (180,000) do not belong to Conaie [Confederation of Indian Nationalities of Ecuador], which has become the standardbearer for the Indians' demands.

Paramilitary Bands

Division into bands took a different turn with bombings at the court of Riobamba, attacks on Andino's house, and threats against Father Torres. At the same time, intimidating fliers were put out signed by Frenae (Ecuadoran Nationalist Front). On 16 February, Indian leader Calixto Albino Chicaiza Paca and a minor were kidnapped in Riobamba by three individuals, including Marco Toapanta, who tortured and held them for three days in Loja. A rumor began to circulate telling of paramilitary bands in Chimborazo. General Jorge Andrade, commanding officer of the Galapagos Brigade, says that "we travel the length and breadth of this province with our staff of officers, enlisted men, and many civilian employees, but have never seen a paramilitary band."

Serrano agrees with the military official: "I have traveled over only a few ranches on which they say there are bands, but I met no one. What I did see was that some ranches had hired private security, but the owners said it was to meet the wave of violence unleashed in Alausi, Chunchi, and Guamote."

Chiriboga demands the first and last names of landowners who have paramilitary bands. "We can say that they (the Indians) are the ones who have paramilitary bands because they pay people from other communities to come help with their raids carrying shotguns, sticks, and machetes."

Terror in Imbabura

The death of Cayetana Farinango in Imbabura led to reports of armed elements called paramilitary bands on several ranches.

For socialist Deputy Enrique Ayala, "the solution chosen by Imbabura landowners was to hire mercenaries from outside the province. We have seen Blacks illegally dressed in military uniforms and carrying illegal weapons such as submachine guns. Their job is to create awareness in the community that a new invasion cannot occur."

In the opinion of Ignacio Perez, president of the Zone 1 Chamber of Agriculture, a feeling of insecurity spread throughout the rural area causing ranch owners to hire guards. "These are armed guards from companies legally recognized by the Ministry of Government and Ministry of Defense. We emphasize that they are not paramilitary bands and we do accept the fact that there are legitimate, recognized security guards."

Militarization

Something else is afoot in Chimborazo: Soldiers from the Galapagos Brigade decided to go into Indian communities, in their words, to do social work. To date, of the 1,300 communities in that province, 872 have received some attention from the Armed Forces.

General Andrade says such "community actions" have always been carried out, "but it is true that some time ago, we began giving more aid to the community because we were aware that the situation of the Indians, particularly on the barren plains, is critical. We are also aware that the problem is not one of land, but of a lack of basic education, and it is to that fact that we have addressed our attention."

He then described what is being done in Chimborazo: Agreements were signed with education officials to provide teachers where there were none and 40 were placed. Technical education is supplied, along with education about tourism and handicrafts. Such knowledge is imparted on Saturdays by the Brigade and breakfast and lunch are served. Military buses are used for transportation.

At the same time, free medical care is supplied at the hospital and through the military hospital bus. Repair work is done on roads, bridges, and schools. Communities that had transportation only once a week are now served daily by the military to enable them to take their products to market. Arid zones are being reforested and better breeds of sheep and cattle are being introduced.

Andrade says that everything is done in consultation with them. "When they ask for it, we, either I or someone representing me, go into the communities with a team made up of a psychologist, agronomist, public relations director, and hospital director, who analyze what the community is asking for. We have thus broken down the invisible wall that existed between Indians and soldiers. They trust us because what we offer we immediately provide. No one can say we are militarizing or putting guns in their hands so they can kill their brothers."

According to the general, only in Chunchi was there a case of resistance to such action.

Help With Ulterior Motives?

For Monsignor Corral, there are two aspects to the military presence: "First, they are setting up schools and providing aid for the Indians. Second, that presence is disturbing and dividing the Indians. One must know the Indian culture, understand that for them, the land they want to recover is vital to their cultural setting."

Deputy Serrano says that the military sought a way to claim that the uprising affects the country's internal security so the National Security Law could be applied.

He added that already when he arrived in Riobamba, he could observe the division into bands. Some Indians displayed posters saying "Long live General Andrade! Down with the politicians! Down with the priests!" He says, "these Indians organized their demonstration and got the posters from the Galapagos Brigade." He became fearful that such contradictions would only grow more acute when General Andrade and Monsignor Corral talked for two hours and concluded that the only thing they could agree upon was that they did not agree!

Another matter of concern to the deputy is that "General Andrade is sending soldiers, corporals, and sergeants to give classes." When the military official was asked whether they have had teacher's training, he did not answer.

The rest of the actions seem to be positive provided they contribute to the national development and "there is no ulterior motive of destroying the peasant organization."

Serrano heard complaints from a number of communities concerning alleged military raids on homes in search of weapons and reports that shots were heard at night.

Torres says the soldiers "are in a community in an area where they have an outpost like one they might have on the border. The other day, they made us go back. Here no paramilitary bands are needed because everything is controlled by the brigade."

Chiriboga says landowners have received no support from the Army, "but we realize the work they are doing and support it."

The solutions proposed by those interviewed are structural, including changes in the Agrarian Reform Law, removal of the IERAC director, and continuation of the dialogue between the opposing sides.

Seeds of Bands

Economist Cesar Verduga, minister of government, admits that our country is venturing into the dark and dangerous world of paramilitary bands, but he rejects the term "militarization" to describe military social work in rural areas.

He defines the Imbabura case as a problem of violence between Whites, Mestizos, and Indians caused by land disputes arising out of delays in standards of procedure established by the Agrarian Reform Law and IERAC, which over the years has become a cumbersome, bureaucratic, and sometimes even corrupt apparatus. Responsibility lies with the Legislative Branch with respect to the law and the Executive Branch for bureaucratic delays, he said.

This situation has so complicated land problems that private guards have appeared in Imbabura, in some cases legal and in others illegal. There are also "black berets" or "black belts" formed by Indian groups as shock guards. The minister does not take these paramilitary bands into consideration because their action is not underground, but he does see a need to draft a regulation—and he is doing so—to better control the private guards.

In Chimborazo there are also private guards, but there is something else: "There might be the seed of a paramilitary band which, under the acronym Frenae, throws bombs and threats at representatives of the Church. If they engage in clandestine armed actions, kidnap peasants, and bear arms, one could talk of a paramilitary band." Aware that his opinion is contrary to that of the governor of Chimborazo and head of the Galapagos Brigade, he adds that finding these terrorist groups is rather difficult because they operate underground.

Another highly controversial matter is the so-called militarization "which the majority of all Chimborazo residents see as a program of civic action."

He does not believe the armed forces have made raids on Indian territory citing the National Security Law, but rather, because of their interest in this type of work.

He claims to be unaware that in a Riobamba demonstration there was praise of General Andrade and rejection of priests and politicians. What he does know is that the Indians are split and that the evangelists are steadily gaining ground. "There is no reason why a process of penetration of a pluralist society by a religious sect should be seen as part of a conflict leading to confrontations." If the Church says that the "evangelists and landowners are against it and rely on the armed forces, it is an accusation the Church should make formally."

In connection with reports of alleged raids on Indian homes looking for weapons and shots fired in the night, the minister asks: "Why did the ones who made such reports not attend the meeting with legislators in Riobamba?"

He also rejects comments about military attempts to break up the Indian organization: "This would mean that any government action in the areas of health and education breaks up the Indian organization, so that it would never be possible to take combined actions."

Nor does he accept doubts about the soldiers' inability to educate: "They participated in the literacy campaign. Furthermore, I am not aware that the Education Law excludes any human group from educating."

Blood in the Lakes

Early last year, an Indian invasion occurred on San Francisco del Cajas Ranch, owned by Manuel Sisalema and located on the border between Pichincha and Imbabura Provinces.

IERAC ordered the ouster of the invaders and during that action in November, Cayetana Farinango was killed. For the local Indian leadership, Farinango was the

victim of brutality perpetrated by police acting in collusion with a "paramilitary band" hired by Sisalema. According to the president of the Zone 1 Chamber of Agriculture, Ignacio Perez Arteta, the Indian woman "died of natural causes. I have in my possession documents stating that she died of an aortal aneurysm in the area of the abdomen, in other words, of an internal hemorrhage." Deputy Enrique Ayala Mora takes the opposite view: "It is the height of cynicism when Chamber of Agriculture officials make statements such as the one that the death of Indian woman Cayetana Farinango was not the result of the eviction, but to natural causes, when in fact they picked up a person over 70 years old, dragged her from where she was, beat her, burned her hut, and dumped her in a ravine."

Second Death

At 1500 on 31 March, Julio Cabascango was attending a wedding at the home of Enrique Pijal, head of the Gualacata commune. He was pulled out of the celebration by one Cacuango. We have obtained the results of the initial police investigations from the governor of Imbabura: "They walked down about two blocks and the victim apparently had to go to the bathroom. Cacuango continued on his way to his house nearby, which is also close to the home of Colombian Servio Tulio Castillo Ortega, where three Blacks were staying. One of them allegedly killed the victim. Tulio was caught, beaten, and turned over to police by the Indians."

The police later detained seven citizens of color working as guards on La Clemencia ranch owned by the Social Justice cooperative. Their names are: Lider Jama Mendez, Joaquin Rodriguez Sol, Victorio Gonzalez Ortiz, Livingston Moreira Espinoza, Flavio Ibarbo Cevallos, Demetrio Quinonez Bonne, and Guiner Rodriguez Batallas. The latter is the contractor who took them to Imbabura to work.

At the Ibarra jail, VISTAZO talked with Tulio Castillo, accused of killing Cabascango, who was married to an Indian woman: "I came to Ecuador in '78. I have lived in Gualacata for two years. Before that, I lived on the Social Justice cooperative. The Huaycopungo Indians blamed me for the murder and I don't know why." For his part, contractor Guiner Rodriguez talked about their activities on La Clemencia ranch: "We have not even been there a full three months! Before that, I worked on San Francisco del Cajas for two months. Our work was to make sure the Indians did not get on the ranch. They are unjustly accusing us of the murder of the Indian man."

The Black guards totaled nine and they are affiliated with no legally recognized company. They are all natives of the town of Viche, near Quininde, in Esmeraldas Province. Every 30 days, they would take turns so that two of them could go visit their relatives. On Sunday, the 31st, Flavio Ibarbo was off and returned Monday morning proclaiming he had had nothing to do with the murder. According to rumors circulating in Esmeraldas, the material author of the crime is reportedly Pablo Segura. Rodriguez says, "Pablo is one of our comrades. He and another companion, Severo Leonardo Navia, left on Monday for a vacation in Esmeraldas and I bet it was because of this problem that they took off. I don't know whether Pablo killed him; I can't say." Another Esmeraldas resident arrested, Demetrio Quinonez, thinks it is political: "You can clearly see the fault of the politicians who are taking advantage of the ignorant Indians. As God said, they are pointing at the dumbest one." This statement coincides with one made by the president of the Chamber of Agriculture to the effect that "there is a rumor that Cabascango's death was politically motivated. People even say it was a deputy's bodyguards who did the killing."

* Felix Explains Position

91SM0300B Quito HOY in Spanish 28 Apr 91 p A1

[Text] Work being done by the armed forces to develop the country was explained by Minister of Defense Jorge Felix, who said in a conversation with HOY that the armed forces are "a subsystem of this great system constituted by the national government."

Felix emphasized the trust which Ecuadorans have placed in the armed forces, as demonstrated by a recent poll published in the media. The minister also defended work done by the Galapagos Brigade in Chimborazo Province and denied it is meddling in Indian disputes that have broken out in the area.

The action being taken by the Galapagos Brigade in Chimborazo consists of "assistance and cooperation in different areas, like that done in the eastern regions."

The minister emphatically stated that nowhere in the country is there any attempt "to place a people under military jurisdiction or militarize any civilian." He did flatly reject any claim about militarization of the province.

"We respect the legal order of the country. In addition, we are the guarantors of that public order and, as such, have a duty to fulfill our obligations to the maximum extent and to the extent allowed by law."

The armed forces budget, which totals 12.76 percent of the government's budget, is not excessive when one realizes that 70 percent of the amount is spent on pay and the rest on development activities, Felix said.

The fight against drug trafficking has not meant any loss of sovereignty due to the assistance of the United States.

That aid is reduced to the presence of six antidrug trafficking experts and the supplying of two boats to patrol border rivers.

* Indian's Slaying Commented

91SM0300C Quito PUNTO DE VISTA in Spanish 8 Apr 91 pp 8-10

[Report by Eduardo Tamayo: "Chronicle of a Reported Death"]

[Excerpts] The murder of Julio Cabascango, secretary of human rights and founder of the Imbabura Peasant and Indian Federation (FICI), at the hands of paramilitary elements overtaxed the patience of Indians in the province, who since mid November have endured all manner of attacks and harassment from armed groups serving the landowners. [passage omitted]

On Tuesday, the coffin was moved from Caluqui to FICI headquarters in Otavalo. There, in the place he had always frequented, his friends paid him final homage. That homage became spectacular on Wednesday, when thousands of Indians participated in a funeral procession that left Otavalo at 0900 and reached the Gonzalez Suarez parish church, a distance of over 10 km, at 1300.

The procession was a show of force and unity and constituted an appeal for the dismantling of the armed groups that are causing so much anguish in El Cajas, La Vega, Tunibamba, and Chimborazo Province.

The march would have ended like any other if not for a provocation directly involving Dr. Rodrigo Borja's government. The Indians caught two members of the Criminal Investigation Service (Segundo Cardenas and Diego Cartagena) taking down license plate numbers of vehicles accompanying the march and promptly staged a people's trial. It should be noted that on 14 August last, two other agents were detained and tried by Indians in the same parish because they were drawing up a list of leaders, including the now murdered Julio Cabascango.

At Gonzalez Suarez Plaza, Luis Macas, president of Conaie [Confederation of Indian Nationalities of Ecuador], said, in speaking to the agents and paramilitary elements: "We have said that you can kill us one by one. You can murder us—we are on your list—but this whole people is not going to die, this people needs to change, this people needs new justice. They may kill us, but we Indians will continue to live. We have been here for 500 years and will be here even longer. How is it possible that with the same hands you bloodied by killing, you carry bread to your children? You must stop and reflect that here in this country there are thousands upon thousands of Indians, thousands upon thousands of poor people. We appealed to the Tribunal of Constitutional Guarantees. What have they done with our petitions, with the death of comrade Cayetana Farinango, with the death of our comrades in Bolivar Province, with the militarization, with the paramilitary bands? What has this National Congress, those wretched deputies, accomplished? Nothing but swallow the people's money! Now they will receive the people's punishment. Now we Indians will not vote for any of them. This democracy invented by them, invented by the landowners, will not solve our problems."

Voices were heard in the crowd asking for the heads of the agent infiltrators. The shrewd attitude of the Indian leadership prevented the trial from evolving into an uncontrollable situation.

Truth About Paramilitary Bands

The murder of the FICI leader pointed up the existence of paramilitary groups in Ecuador's rural areas.

For landowners united in the Chambers of Agriculture, what they have on the ranches are "simply" security guards similar to those guarding factories, institutions, and banks in the cities. Similar opinions are voiced by Minister of Government Cesar Verduga, although he admits that some armed groups in rural areas are acting illegally, as a result of which he talks of regulating the operation of such private guards, whose presence is justified by the insufficiency of police elements in the country.

Certain aspects indicate that it is not a matter of simple security companies because they wear uniforms and carry weapons exclusively for the Armed Forces, which is prohibited by law. A report published in HOY on 27 December 1990 states that the security companies operating in the northern region of the country are called Paratuche, Vipca, and Oresep, headquartered in Guayaquil. "Nearly all the members of these groups were in the Army for some time and know how to use weapons and military tactics," the morning newspaper states.

Another question must be asked: If these groups are outside the law, as Minister Verduga himself admits, why did the government allow them to operate over the past 5 months during which all manner of attacks were committed on Indian communities? Why was nothing done in response to reports filed by the Indians, who recently presented Verduga with photos and documents on the activity of the paramilitary forces?

In contrast with what is done in business, the armed groups in rural areas have not stayed on ranches guarding property, but have instead gone out into the communities, harassing and even murdering peasants, as was the case in Gualacata.

The existence of other underground groups such as Frenae [Ecuadorian Nationalist Front], which sets off bombs and threatens the progressive clergy in Chimborazo, is no secret to anyone. On Tiquibuso Ranch in Bolivar, a band killed Indian Francisco Guaylla at the end of last year. What further proof is needed of their existence?

Indian organizations are not asking to have their operations regulated, but rather, to have them dismantled and, not only the material authors, but the intellectual authors of the murders punished as well. If this is done, Julio Cabascango's blood will not have been shed in vain.

Paraguay

Group Nominates Villamayor for Party Leader

PY3005235891 Asuncion HOY in Spanish
30 May 91 p 6

[Excerpts] A group of Colorado Party [ANR—National Republican Association] followers from the traditionalist and former militant factions have proposed that

Juan Ernesto Villamayor head the Colorado Party executive board. The proposal was aired during a meeting in a private residence in Colorado Party Precinct 18 (Workers Neighborhood). A new meeting was announced for today, and Villamayor has not ruled out his possible candidacy to head the party.

"Some local leaders called for that (my candidacy) then. The proposal is not firm yet. We have to continue talking, to continue seeking a solution together. Today's challenge is to continue talking with other party grass-roots leaders about the grand political project to take the Colorado grass roots to the executive," said Villamayor, candidate of two Colorado Party factions to Asuncion City Hall in the party internal elections. [passage omitted]

The ruling party legislator stressed the need "to return the party leadership to the authentic party grass roots, the youth, women, and to those who were pushed aside in other words, to those who were always used as electoral tools when their votes were needed, but who were not considered during discussions on party sovereignty or party political projects. I think the party today is practically stagnant."

"We will soon be called to a National Constituent Assembly, and the party in power, the party with the largest following, does not have a proposal for a new Constitution. We are facing possible amendments to the Electoral Code but the party has not adopted a position. The party has practically not taken a stance on any social and political situation. It is very difficult to speak about a party in government when we have no social, political, or economic project," Villamayor said. [passage omitted]

Colorado Party Youths Demand Leadership Changes

PY3105001691

[Editorial Report] Asuncion HOY in Spanish in its 30 May issue carries two reports covering incidents at the ruling Colorado Party headquarters in Asuncion.

In a 500-word report on page 6, the newspaper says that on 29 May some 300 youths occupied the party headquarters' yard while the party executive board was holding a closed-door meeting. The report adds that at approximately 1900, the youths broke in through a locked basement door and occupied the corridors near the meeting room. They were demanding the resignation of the party leadership.

The report says that party leader Luis Maria Argana addressed the young people from a balcony. The newspaper quotes Argana as promising the youths that "your wishes will be met, because there will be a convention, there will be direct voting, and there will be direct elections."

The report adds that Argana then told the journalists that someone has instigated the young people to behave as they did.

In a 280-word report on page 7, the newspaper says that the youths had been summoned to a protest demonstration at the party headquarters and that they heckled the party leaders as they entered the building.

The report says that the youths submitted a petition to the party executive board demanding "a special party convention to modify party statutes and choose new party authorities, the immediate replacement of the party representatives to the Central Electoral Board, and the resignation of party executive board members."

Industry, Commerce Under Secretaries Appointed

PY3005233891 Asuncion Radio Primero de Marzo in Spanish 1425 GMT 30 May 91

[Excerpt] The executive branch has issued Decree 9714 appointing Ruben Fadlala Gomez, current vice president of the Paraguayan Industrial Union, industry under secretary replacing Ubaldo Scavone, who was named minister of industry and commerce.

The executive branch also appointed Martin Burt Artaza new commerce under secretary replacing Emilio Ramirez Russo, who was named president of Petropar [Paraguayan Petroleum, Inc]. Russo was thanked for his service at the industry ministry.

The executive branch also issued Decree 9713 naming Miguel Angel Salcedo Industry and Commerce Ministry secretary general, a position that was vacant. [passage omitted]

Peru

Prime Minister Answers Antidrug Accord Questions

PY3005150091 Lima RTP Television Network in Spanish 2300 GMT 28 May 91

[Response by Prime Minister Carlos Torres y Torres Lara to previously submitted questions from legislators at the Chamber of Deputies in Lima—live]

[Excerpts] [passage omitted] Mr. President, Messrs. Deputies:

In my capacity as president of the Council of Ministers and minister of foreign relations, I am hereby reporting to this honorable Chamber of Deputies, in compliance with the terms of Article 225 of the Constitution, to answer two lists of questions that have been submitted to me in connection with the agreement on the control of drugs and alternative development, which has been signed by the United States and Peru.

In complying with this obligation, I would like to democratically clarify all aspects that it may be necessary to clarify so that the debate on the subject of the questioning can come to the best conclusion.

I will now answer the 92 questions from the two lists. In some cases we will refer to previous answers, as there are

several questions duplicated. Whenever justified I will offer a single answer to points that have been raised in several questions.

I will first answer questions from a list on which the first signature is that of Deputy Luis Alvarado Contreras.

[Question] This question asks why the agreement was not sufficiently publicized and debated with the various sectors of the population, which would have made it possible to hear their observations and suggestions before signing the accord.

[Answer] On this subject, we should point out that all negotiations should be discreet and in some cases even kept confidential. Despite that, however, through various channels, the people were acquainted with the initial text that was being negotiated, giving rise, Mr. President, to an unusually broad journalistic and institutional debate. We therefore believe that the issue has been properly debated, so much so that several critical points were adjusted in the final text of the document after various important opinions were heard on the subject.

[Question] This question asks why Congress was not informed about the agreement and why the agreement was not submitted to Congress for consideration.

[Answer] It should be pointed out that Article 104 of the Constitution sets forth that, quote, on matters under his exclusive jurisdiction, the president of the Republic can sign or ratify international agreements with foreign nations or international organizations, or adhere to such agreements, without prior congressional approval. In such case, the president should immediately inform Congress about the agreement.

That means that, under the terms of the article, it is clear that the signing of an agreement of this nature should be reported to Congress immediately after it is signed. This power is also set forth in Paragraph 14 of Article 211 of the Constitution, through which, by international standards, the signing of agreements is reported to Congress after the documents are signed.

Despite that, and taking into account that it is a very significant subject, Congress has been kept abreast of the progress made on the negotiations in the following ways:

First, on 7 March 1991, more than two months before the agreement was signed, the minister of foreign relations—during a session to which he was invited—handed the text of the agreement that was being negotiated to the Foreign Relations Committee of this honorable Chamber of Deputies.

Second, on 26 March 1991 the president of the Republic himself sent note 326-91-PR—attached to which was a copy of the antidrug agreement—to the chairman of the Congressional Standing Committee.

Third, following the conclusion of the negotiations, the minister of foreign relations on 10 May 1981 handed the members of the Senate Foreign Relations Committee the document that was about to be signed.

Fourth, the same document was also handed to the members of the House Foreign Relations Committee on 13 May 1991. [passage omitted]

[Question] This question asks whether, in the Cartagena Declaration, the United States promised to provide improved and more effective economic support through a rapid-disbursement aid system, and to finance an emergency social program.

[Answer] It should be reiterated that the commitments made in the Cartagena Declaration are still in force. The Cartagena document is a declaration, and that agreement is the first contractual step toward implementing that declaration in Peru.

[Question] This question asks why support from the U.S. Government has been conditioned to implementation of a policy of structural adjustment and alternative development by our country.

[Answer] It should be pointed out that the agreement reflects the Fujimori doctrine, a policy based on structural adjustment and alternative development. It is therefore a Peruvian-made policy which has been accepted by the United States and which has replaced the policy of police action and repression that was enforced in the past, with negative results.

[Question] This question asks whether it is true that paragraph 9A of the agreement once again establishes that the main responsibility for the antidrug fight rests with Peru and not with the United States, which is one of the countries with the largest demand for drugs.

[Answer] It is necessary to point out that the essential foundation of the agreement is that it recognizes that it is precisely the demand for drugs that increases supply. That change in perspective represents a new dialogue and commitment by the United States. It is undeniable and beyond question that the demand for drugs is the origin of the situation. But at this time we have given precedence to Peruvian development and structural adjustment as our central objective. The antidrug fight has consequently been designed from that viewpoint, which has for the first time been adopted in Peru.

For us, the development of the socioeconomic, industrial, agricultural, and livestock sectors in those areas is more important than mere repression, which has not provided satisfactory results.

[Question] This question asks if it is true that the Cartagena Declaration established that the great demand for drugs in the United States is the main reason behind drug supply.

[Answer] It is true. It is clear that demand is the cause of supply. With no demand there would be no supply. But it is also true that supply originates with the economic

problems of peasants who have no other choice. Therefore, it is our central objective to develop the area and to create acceptable or profitable conditions for alternative and industrial crops, which is equivalent to development. That may be the only chance to eliminate the illegal farming of coca.

In other words, as far as Peru is concerned, it is the most efficient and realistic way to fight drug trafficking. The agreement has therefore given contractual form to a situation that serves the legitimate interests of our peasants, significantly broadening the scope of the Cartagena document, which is a declaration and not an agreement that binds both sides.

[Question] This question asks why the idea of emphasizing the responsibility that the United States shares for the massive demand for drugs has been denied.

[Answer] The agreement begins by recognizing a solid fact: The Peruvian economy is going through a crisis that has been worsened by the distortions produced by drug trafficking, while the U.S. economy is strong. The only responsibility that has been assigned to coca-growing peasants is a result of the fact that they are the main agents in the actions designed by this strategy for development. [passage omitted]

[Question] This question asks if a crop replacement program, with U.S. participation and funding, has already failed in the Peruvian jungle, and whether that model and those principles are the same ones that this agreement seeks to implement.

[Answer] The U.S. Government has a great deal of cooperation experience in the area of drug trafficking. That experience has enabled us to replace our previous policy, which was almost exclusively repressive, with one based on broad integrated development.

[Question] This question asks whether the funds provided by the United States and Peru will be enough to defray maintenance expenditures for the time in which the peasants who are willing to replace their farms cannot undertake any farming activity.

[Answer] The agreement does not establish any figures, but both Peru and the United States want the funding to be sufficient to achieve the agreed upon objectives.

[Question] This question asks whether there is a report on the actual negative environmental effects that will result from the chemicals that may be used to reduce coca plantations.

[Answer] The agreement includes no statement whatsoever on the use of chemicals. Instead, the agreement reflects a commitment to maintain environmental equilibrium. Peru advocates sustained development; that is, development based on the rational use of resources and their preservation for future generations. Peru is stressing the fact that critical poverty and drug trafficking are major factors in environmental pollution. Efforts to halt that environmental damage must be comprehensive, and they should be able to count on the support of the international community. The agreement should help to break, through an external situation in which there is more justice, solidarity, and responsibility, the vicious cycle of more-poverty-more-environmental-damage in our country. [passage omitted]

[Question] This question requests information about U.S. involvement in security and interdiction measures and asks whether it will involve the participation of U.S. experts and U.S. military troops in Peruvian territory.

[Answer] At no time does the accord mention the direct participation of U.S. military personnel. It does provide, however, for cooperation and assistance—which are different concepts from that of participation—in each specific area of cooperation for the two governments.

[Question] This question requests information on the estimated dollar amount that drug trafficking annually brings into in our country and the effect on national exchange policy and international reserves.

[Answer] All analysts work with estimates that are based on calculations of the cultivated area. To get closer to the real situation, an average has to be established. The average is estimated at 150,000 hectares. Based on that figure it is possible to estimate that the gross illegal inflow of currency resulting from drug trafficking in Peru totaled $1.89 billion in 1989. Its effect on the exchange rate is evident, because an excess of dollars causes the exchange rate to drop, to the detriment of exporters.

[Question] This question asks how much the U.S. Government will earmark for the antidrug fight under the agreement signed with Peru, and the form and time frame over which that amount will be disbursed.

[Answer] Both sides expect that the amounts, which are still to be determined, will be suitable for the expected purposes and will meet practical needs.

[Question] This question asks about the public funds that the Peruvian state will earmark for the antidrug fight, considering the significant shortage of funds in Peru.

[Answer] The point is precisely to prevent the Peruvian Government from defraying the cost of implementing the structural adjustment measures. That is why an agreement was signed with the United States. Otherwise no agreement would have been necessary.

[Question] Have the peasants directly involved in the agreements been consulted, given that there are organizations like the Selva Maestra Agrarian Federation that have their own alternative proposals?

[Answer] For the past three years the coca-growing peasants have been making their own proposals to improve their situation by developing agro-industry. One example is the Naranjillo agrarian cooperative, which has industrialized coca production. There is also the Alto Huallaga cooperative which, according to its latest reports, not only agrees with using agro-industry to replace coca crops but has also expressed its full support

for the agreement. The agreement establishes that the coca peasants are the main actors in this process and that they have the right to make suggestions for alternative development. Furthermore, Clause 27, Paragraph A states that coca crops will be eliminated according to pacts made with the coca peasants themselves.

[Question] Numbers 23 to 27. How does the agreement account for the Autonomous Authority for Alternative Development [Autoridad Autonoma de Desarrollo Alternativo, AADA], which is regulated by Supreme Decree No. 158-90, that organization's dependency on the presidency of the Republic, and its activities?

[Answer] The preliminary drafts of the agreement specifically mentioned the AADA, which is regulated by Supreme Decree No. 158-90- PSM. However, taking into consideration the suggestions we received on the subject, we preferred to avoid references to that organization in the agreement. The agreement, instead, refers in general to an autonomous authority, with small letters, whose functions, activities, and dependence have yet to be defined. In other words, the document does not specifically refer to that organization, but to an organization that would be able to carry out alternative development functions autonomously. That organization must be defined through the appropriate legislative norm, as the foreign minister informed the Foreign Affairs Committee of this honorable Chamber of Deputies during the meeting to which he was invited last March. As for its autonomy and dependency, the status must be specified by the aforementioned legislative norm. [passage omitted]

[Question] This question asks whether it is true that the agreement was signed about one hour before the president of the Republic appeared before Congress to report on it.

[Answer] Yes, the agreement was signed shortly before the president appeared before Congress. To comply with the terms of the Constitution, the president wanted to immediately report the signing of the agreement to Congress.

[Question] This question asks how the executive branch can justify what seems to be a regrettable mockery of the Congress and why the executive branch failed to comply with its promise to report to Congress.

[Answer] In answering this question we must point out that when the president of the Republic appeared before the Congress, he literally quoted Article 104 of the Constitution, saying: For the first time in recent decades, we go against an established habit for a reason I believe to be extremely important. Messrs. Congressmen, I have deemed it necessary to address you and the country to make an objective analysis of one of the most serious problems being faced by the Republic--drug trafficking—and to report on the agreement I have signed on drugs and alternative development. In accordance with Article 104 of the Constitution, he said, it would have been enough to submit a written report to the Congress but, in view of the importance of this issue and to show my gratitude to you congressmen, I felt it was important for me to come here personally, he added.

As a matter of fact, as the president said on that occasion, it would have been enough to send the written text of the agreement, as was done through Note 3-OA-28, dated 22 May 1991. The president's attitude shows his special deference and gratitude to Congress. As a result, I am the first person to regret this misinterpretation of the positive relations the executive branch hopes to enjoy with the legislative branch. [passage omitted]

[Question] This question concerns the reason for not mentioning in the agreement the existence of legal coca-growing areas, such as in La Convencion Valley and other parts of the Inca region.

[Answer] It must be pointed out that the agreement deals with illegal coca production, as mentioned in each specific case. Legal growing areas are therefore not included in the agreement being discussed in this interpellation.

[Question] This question asks about the alleged political decision to completely eradicate coca growing without considering the difference between legal and illegal growing areas and the consequent elimination of the National Coca Enterprise [Enaco].

[Answer] We must emphasize that the political decision refers to the replacement of illegally grown coca, not to coca that is legally authorized. We are not dismantling Enaco. After being adequately decentralized, the company will continue to purchase legally grown coca, which will be used in the country as it has been traditionally used by the Andean peoples for many years, and internationally, in the production of medicines. Only the coca grown to be used in the production of cocaine base will continue to be forbidden. [passage omitted]

Mr. President, we will now answer the questionnaire signed by several deputies. The first signature is that of Deputy Ricardo Letts Colmenares. [passage omitted]

[Question] The question asks if it is true that a U.S. Government spokesmen said they would not back the support group if Peru did not sign the agreement.

[Answer] The agreement reflects the negotiations. It does not mention requirements of any sort. Moreover, although there has been no official requirement in this sense, it is only normal that during the course of the negotiations several U.S. Government representatives would have voiced their concerns about the issue, taking into account the fact that there could be some 30 million drug addicts. That should not be regarded as an illegitimate demand, but rather as a normal concern expressed by one of the parties. Peru also managed to avoid having the agreement treat coca farmers like criminals. [passage omitted]

[Question] Questions 7, 8, and 9: Why do Clauses 3 and 4 of the agreement not mention the main cause of the problem: the U.S. consumer's demand for drugs.

[Answer] Point 4 of the agreement states specifically that the bilateral partnership between Peru and the United States seeks to tackle the causes of demand as well as supply in order to substantially eliminate drug trafficking, if possible, by facing both sides of the problem. It is a known fact that demand is the origin of the problem; that cannot be denied. Peru's development has been granted priority treatment, and structural adjustment has been made our main goal in this agreement. Consequently, the struggle against drug trafficking is being handled within an unprecedented framework in Peru. For us, economic and agro-industrial development in the zone is more important than simple repression, which has not proven effective.

[Question] Why does the agreement refer to an alleged consensus regarding the government's drug policy and a general acceptance of the AADA?

[Answer] It should be pointed out that the Fujimori doctrine emphasizes the need to struggle against drug trafficking; it is not against coca growers. There is a broad national consensus in that regard Regarding the AADA, it should be reiterated that, following suggestions, we expressly chose not to mention it in the agreement. The topic will be handled by the appropriate legal instrument.

[Question] Why does the agreement say the peasants are willing to be organized, if that could be interpreted as a form of state manipulation with the alleged purpose of repressing them through violent action?

[Answer] It should be pointed out that the agreement refers throughout its text to the following: first, the illegal farming of coca; and second, as is stated in Point 27, Clause A, the fact that it has been designed to eliminate coca plantations according to agreements signed with the coca farmers and the Peruvian Government's policy in that regard. In other words, any elimination of coca plantations will be subject to the agreements that may be freely reached with the coca producers.

[Question] Why does the agreement state that the elimination of coca plantations is subject to further agreements with coca farmers when they are against the agreement?

[Answer] Coca farmers have expressed their support for the agreement through the media. That, however, will not be enough to replace the coca plantations. Point A of Article 27 of the agreement specifically demands that elimination be carried out according to agreements reached with coca farmers. The agreements will be reached, in each case, according to the development alternatives proposed by the substitution programs—for example, agro-industry—suggested by the coca growers themselves through their regional representative organizations. The Foreign Ministry has received representatives of organizations of Alto Huallaga representing more than 30,000 heads of families, which administer approximately 150,000 hectares of coca plantations. That represents 60 percent of the coca production of the region. That information was reported by EL COMERCIO in its 26 May issue. [passage omitted]

[Question] Are all Peruvian citizens really ready to receive the benefits of alternative development? Point 22 of the agreement refers to those who may start growing coca in the future.

[Answer] Clause 22 refers to the areas that are near coca plantation zones and that, for economic reasons, could in the future provide labor or be pressed by economic difficulties or lack of development into increasing coca growing. A discussion of alternative development implies involvement not only with the zones and people that currently grow coca, but also to those who may start growing it. In sum, the clause is positive. The agreement refers not only to current coca growers, but is designed to prevent migration to coca-growing areas or an expansion of the zones.

[Question] Should the struggle to uncover the laundering of illegal resources be interpreted as a struggle against the banks and bankers?

[Answer] It should be taken into account that all activities can encompass legal and illegal methods. All actions aimed at illegally protecting drug trafficking must be fought. All countries are adopting measures to prevent actions similar to the ones mentioned in the question. That does not imply a policy directed against banks or bankers who act legally.

[Question] Why does Point 16 propose the interdiction of illegal coca consumption, which in Peru would mean violating the penal code, which has legalized coca consumption.

[Answer] I would like to reiterate the difference between a crime and an illegal act, because every crime is illegal, but not everything illegal is regarded as a crime. The agreement should be regarded as a whole. The purpose of the agreement is to fight illegal drug trafficking, not the consumption of coca, which is a custom of the Andean people. That is specified in Clause 27, which lists the interdiction measures in detail. None of the measures apply to coca consumption.

[Question] Is it true that the agreement once again considers the struggle against drug trafficking as a merely Peruvian issue, without mentioning the U.S. responsibility in the problem?

[Answer] The agreement is a result of the Cartagena Declaration. It should therefore be regarded as complementary and not contradictory to the Cartagena Declaration. [passage omitted]

[Question] Why does the agreement establish the possibility of reducing or swapping the foreign debt if the subject is in the hands of the U.S. Government, with or without an agreement?

[Answer] U.S. financial assistance and cooperation with Peru, whether connected to the foreign debt issue or not, is mentioned in the agreement at the initiative of the

U.S. authorities. Following ratification of the agreement, Peru may request that cooperation under certain conditions specified in the agreement. [passage omitted]

[Question] Why was the Constitution violated through the establishment of a direct relationship between the U.S. national strategy office and the Peruvian autonomous authority?

[Answer] It must be pointed out—as it already has been—that the regulation of the AADA is subject to the corresponding legal norms, which will determine its functions, responsibilities, and dependency, a subject that will be appropriately evaluated by the National Congress. Also, coordinating actions between government agencies do not violate the Constitution, as such agencies depend on their respective authorities. It is not dependency, but coordination. [passage omitted]

[Question] It is asserted that conflicts may arise from point 25A, which does not specify which police and armed forces will be required for the antidrug trafficking struggle.

[Answer] Regarding this point, we must note that since the name of the country is not specified, it is understood that each police and armed force must act in its own territorial jurisdiction.

[Question] Why does the agreement not differentiate between the violent and nonviolent drug trafficking areas, and why does it not specify what kind of violence?

[Answer] The civic action carried out by the Armed Forces in the zones affected by drug trafficking is a social task that complements their interdiction activities to aid communities affected by violence and drug trafficking. Because drug trafficking is illegal, it generates violence, be it real or potential. The agreement intends to cover the two possibilities to guarantee peace legally in the zones where drug trafficking exists.

[Question] Why does point 16 imply that there is total respect for human rights in Peru, when it has been internationally acknowledged that for the fourth successive year Peru is the country with the most detainees?

[Answer] The government is absolutely committed to respecting human rights. There have been many cases of missing people, but that acknowledgement cannot be the foundation for the assertion that human rights violations are due to a systematic and intentional government policy. Point 16 represents the Peruvian Government's commitment to total respect for human rights. The international public acknowledges the government's various efforts on behalf of human rights. One of them has been to appoint Peru as president of the UN Human Rights Committee. [passage omitted]

[Question] How is it that point 16 of the agreement accords belligerent status to subversive groups?

[Answer] That assertion is wrong. The agreement in principle refers to the struggle against drug trafficking and not against terrorism. Now, given that there is a connection between the two phenomena, the Red Cross may intervene on an exceptional basis for humanitarian reasons. The last paragraph of Article 3 of the Geneva Convention on the subject establishes that the intervention of the Red Cross for humanitarian reasons may not modify the juridical statutes of any of the parties in conflict.

[Question] How is it that point 16 of the agreement establishes that detainees charged with terrorism will be considered prisoners of war?

[Answer] We must insist that the agreement refers to the antidrug trafficking struggle and not to terrorism. However, given that there is a connection between drug trafficking and terrorism, it must be pointed out that the eventual intervention of the Red Cross is included within a context of respect for human rights and for humanitarian reasons. The condition of belligerent is not established. Besides, those who are arrested for terrorism cannot be considered prisoners of war because they are common criminals subject to the state penal jurisdiction. [passage omitted] [Question] How is it that the agreement foresees the existence of special agreements of implementation which are allegedly being negotiated in secret by the government? The content and scope of such agreements should be explained.

[Answer] The agreement is a framework agreement; therefore, its implementation requires more specific commitments between the two parties, commitments whose content and scope will be revealed to the public at the same time the negotiations make progress. [passage omitted]

[Question] Is it true that the main Peruvian negotiator Hernando de Soto should be disqualified given that the institute he directs allegedly receives U.S. financing?

[Answer] Should the institute receive funds from the U.S. Government, it would not disqualify—morally or legally—the institute's president from advising the president of the Republic about negotiating an agreement or from receiving and executing instructions given to him by the chief executive in accordance with his constitutional powers. Any questions concerning Mr. De Soto's financial ties with the ILD [Institute for Liberty and Democracy] should be addressed to him personally. [passage omitted]

[Question] This question refers to the U.S. obligations to fight drug trafficking because it is agreed that drug trafficking should be fought from both the supply and the demand side.

[Answer] The essential basis of the new agreement reflects the change of perspective of the U.S. position which has recognized that the problem lies not only with supply, but also with demand. Within that framework the two countries will establish a bilateral association under which they promise to carry out joint efforts in the struggle against drug trafficking. The structure of that bilateral association will be completed in accordance

with Clause 11 within the next six months and only then will the concrete obligations of each country be established. [passage omitted]

[Question] This question asks why the agreement does not establish policies and instruments for the control of chemical precursors, and approved and legal products used for making cocaine base that are massively imported from the United States and Germany.

[Answer] The agreement establishes overall control of drug trafficking and clearly points out in Article 27, Clause B, that the interdiction actions will also be oriented toward the oversight, investigation, and control of essential chemicals.

[Question] This question asks why the administrative responsibility of the regional governments was not considered during the conception and execution of the alternative development strategy, and why is it that the participation of the specialized institutions for the protection of the environment were also not considered?

[Answer] The agreement establishes responsibilities at the country level and the regulations then establish the responsibilities at each government level. Clause 47, the penultimate clause of the agreement, indicates that the two governments will implement the agreement in accordance with the laws of each country. That means that the regional governments and the specialized government institutions will implement the agreement within their appropriate legal frameworks, under the coordination of the autonomous authority established through the respective legal provisions.

Mr. Chamber of Deputies Chairman and Messrs. Deputies, now that I have answered each and every question submitted to me, I believe that I have quelled the understandable unrest caused by the signing of an agreement on a nationally and internationally important issue and contributed to reassert this government's position regarding the unavoidable and urgent need to begin the task of definitely eradicating illegal drug trafficking. I am certain this honorable Chamber of Deputies shares the government's position.

Mr. Chairman, Messrs. Deputies, the two lists submitted to me included important questions motivated by interest in the agreement on drug policy and control that was signed by the governments of Peru and the United States of America. The questions refer to a wide variety of matters, ranging from the formal, domestic, and the constitutional aspect of the issue, to international law. The questions also include fundamental concerns about the philosophy behind the alternative development program that will be implemented through the coca substitution plan.

Regarding the formal, domestic, and constitutional aspect of the issue, I hope that I have clearly explained that the president of the Republic has the power, under the Constitution, to sign this kind of agreement. I also hope to have clearly explained that, from the moment the agreement was negotiated until it was signed and approved, the president scrupulously complied with the formal and basic aspects of the issue.

This honorable Chamber of Deputies was particularly concerned over the apparent lack of information about the development of the negotiations. I have already explained that the government sent the text of the agreement being negotiated by the two countries to the Foreign Affairs Committees of the Senate and Chamber of Deputies and to the Permanent Congressional Committee. One of the main concerns submitted to me refers to alleged imbalances in the rights and obligations of the agreement. I wish to add something to what I have already said; the agreement will be fundamentally implemented in our country, and it meets—above all—Peruvian interests. We are talking, therefore, about a document that makes compatible the interests of the involved parties. It has thus become an effective mechanism for the antinarcotics fight, a tool for development through the coca substitution plan and through the supply of the means and the necessary infrastructure to the real protagonists and victims of this drama; the coca-growing peasants.

It must be pointed out that the agreement clearly establishes that the two governments commit themselves to thoroughly reinforce the policies required to eliminate this complex and widespread problem. Please allow me to point out one aspect of the agreement that has been almost entirely overlooked; I refer to expected international reaction to this formal agreement that has been signed between the main drug-consuming and drug-producing centers. Comments made about that aspect of the agreement have not fully taken into consideration the terms of Title C., Articles 40 to 43, which clearly establish the obligations that the U.S. Government takes upon itself within the framework of mutual interests.

Some congressmen have also expressed concern about the position that this agreement will occupy in relation to our other international obligations on the same issue. They pointed out an apparent step backward in regard to the Cartagena Declaration. I must emphasize that this agreement is in accordance with the terms of the Cartagena Declaration and that it mentions the text of the Declaration in its introduction. Based on the Cartagena Declaration, the United States recognizes that restriction and interdiction are only part of the global strategy to fight drug trafficking and that the correct way of conducting the struggle is to neutralize the influence of coca on the Peruvian economy through alternative development and coca substitution.

The proof of that is that some 15 agreements on the issue have been signed between Peru and the United States. If those agreements have not yielded the expected results it is because emphasis was placed almost exclusively on repression.

The alternative development program and the coca substitution plan encompassed in the agreement we are discussing, and which the U.S. Government promises to

support, have an important conceptual and practical content. On one hand, our economy cannot be based on drug trafficking, because it would be immoral and Peru would be internationally rejected; and on the other hand, we cannot tolerate or accept the aberrant coexistence of terrorist violence with drug trafficking. We are unable to fight these two realities with our scarce resources, particularly when our current crisis is being used by those two phenomena to harm our national identity and our very survival.

From a practical standpoint, nobody can deny that the United States is our natural ally because, like Peru, it is caught up in problems affecting essential aspects of its economy, its society, and its culture. The United States is also confronting very serious problems as the result of the drug traffickers' criminal actions. As I have said, the agreement is an instrument of development of fundamental interest for Peru. It is particularly interesting to the zone where coca is cultivated, as the peasants can benefit from this agreement and from the complementary commitments in which they will be the main players.

The government is keenly interested in all topics specifically mentioned in the agreement and attaches special importance to those that refer to the preservation of our sovereignty, to absolute respect for human rights, and to the conservation of the environment. On the other hand, the agreement is in absolute agreement with Peru's international position on drug trafficking.

Mr. President and Messrs. Deputies, the whole Peruvian nation can congratulate itself on the fact that the Chamber of Deputies, exercising its constitutional functions, has promoted this debate. We are also satisfied at having reported to this honorable Chamber and contributed to clarifying a question of utmost importance, thus satisfying the interest of the public to know all that the agreement implies. We hope that future generations will reap the benefits from the foundations that this agreement is laying down. Thank you very much. [applause]

Teleconference on Drug Pact Joins Three Cities

PY2905151691 Lima RTP Television Network in Spanish 0230 GMT 22 May 91

[Text] Representatives of San Martin coca growers proposed that the United Nations or the Andean Pact become guarantors of the antidrug agreement signed with the United States. The proposal was made at the conclusion of a tricity teleconference about the issue carried by this television station. The teleconference was mediated by presidential adviser Hernando de Soto.

[Begin recording] [Unidentified reporter] This is the first time that images from various provinces were linked with images from this television station. Several people also attended the teleconference in order to debate the antidrug agreement. Presidential adviser Hernando de Soto arrived very early at Channel 7 because he is very interested in clarifying the document signed by Peru and the United States a few days ago to face the largest scourge of this century: the scourge of drug trafficking.

[De Soto] We are learning to live in a democracy by listening to everyone's opinion on a very conflictive issue involving many sectors that are offended and that still have to learn to talk among themselves.

[Reporter] Channel 7 has become a place where many proposals were heard. You personally met with people who are very familiar with this issue because they are growing coca. You heard their proposals. Important comments were made here and you are the right person who can tell us about the comments.

[De Soto] Yes, I know you were informally filming this first meeting with coca growers from the Alto Huallaga region. They came with concrete proposals about how they believe the results of an agreement could benefit them in the long range. They also talked about how the agreement should be implemented by asking for the intervention of a mediator, such as the United Nations, to implement the programs in light of the frictions prevailing with officials. I thought the proposal was very interesting. The idea is to continue this type of conversation on 23 May, but to change the format in order to see if by bringing regional leaders to Lima we could get better results both face-to-face and as a program for television viewers. I hope we will see more of this on 23 May. [end recording]

Shining Path Attacks in Tingo Maria

PY3105035291 Madrid EFE in Spanish 2240 GMT 30 May 91

[Text] Lima, 30 May (EFE)—Government officials reported that today at least three policemen and two civilians were killed, and 20 people were wounded when the Shining Path used firearms and explosives to attack a police post in Tingo Maria .

According to police sources a businessman and a boy were the civilians killed in the terrorists' surprise attack. The terrorists arrived as passengers on a bus. Five policemen and 15 civilians who were in a bus parked near the police posts were wounded.

The Shining Path members got off the bus in a nearby area known as El Afilador and opened fire at random. El Afilador is located 1 km from downtown Tingo Maria which is one of the main cities of the Huanuco Department, northeast of Lima.

The police unit repelled the attack and the terrorists escaped.

After reinforcements arrived the security forces began a dragnet operation in search of the subversives with the support of helicopter gunships.

Tingo Maria is considered by officials the "red zone" of drug trafficking where there is also intensive Shining Path activity.

According to a congresional committee, violence in Peru has killed 22,292 people in 11 years since the Shining Path took up arms on 17 May 1980.